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November 26, 2007

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PUBLIC SERVICE
COMMISSION

FEDEX

Ms. Elizabeth O'Donnell
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Re: Kenergy Corp. ("Kenergy")
2008 TIER 3 Energy for Alcan Primary Products
Corporation ("Alcan")
Wholesale Supplier: Constellation Energy
Commodities Group, Inc. ("Constellation")

Dear Ms. O'Donnell:

Kenergy requests the Commission's acceptance of a special retail contract regarding the above. Enclosed please find the executed original and one copy of the following: Request for Power, Cover Sheet for EEI Master Power Purchase and Sale Agreement, Confirmation Letter, and Consent. These documents comprise the special retail contract that Kenergy requests the Commission to accept. (The standard form EEI Master Power Purchase and Sale Agreement, which is voluminous and is not to be signed, is not enclosed herewith; if the Commission wishes this to be filed, please inform the undersigned.)

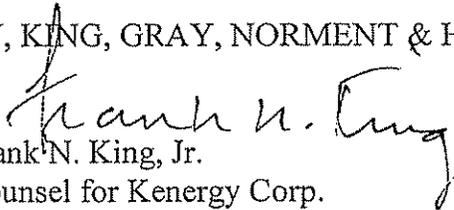
In light of the upcoming holidays, Kenergy respectfully requests that the notice period be shortened to 20 days. This will allow the affected parties to receive advance notice of the Commission's action well before the commencement of the term for this transaction, which is January 1, 2008.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Kenergy Corp.

FNKJr/cds
Encls.

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COPY/w/o/encls.: Mr. David Brown
Mr. David Hamilton
Ms. Vangie McGilloway

MASTER POWER PURCHASE AND SALE AGREEMENT

COVER SHEET

This *Master Power Purchase and Sale Agreement* ("*Master Agreement*") is made as of the following date: October 17, 2007 ("Effective Date"). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any confirmations accepted in accordance with Section 2.3 hereto) shall be referred to as the "Agreement." The Parties to this *Master Agreement* are the following:

Party A: **CONSTELLATION ENERGY
COMMODITIES, GROUP, INC.**

Party B: **KENERGY CORP**

All Notices: Contract Administration

All Notices: Sanford Novick, President and CEO

Street: 111 Market Place, Suite 500

Street: PO Box 18

City/State: Baltimore, MD Zip: 21202

City/State: Henderson, KY Zip: 42419-0018

Attn: Contract Administration

Attn: Contract Administration

Phone: 410-468-3620

Phone: 270-826-3991

Facsimile: 410-468-3540

Facsimile: 270-685-2270

Duns: 01-563-5220

Duns:

Federal Tax ID Number: 52-2019332

Federal Tax ID Number: 61-1345109

Invoices:

Attn: Billing Group

Invoices:

Attn: Steve Thompson

Phone: 410-468-3620

Phone: 270-826-3991

Facsimile: 410-468-3540

Facsimile: 270-685-2270

Scheduling:

Attn: Scheduling Desk

Scheduling: Big Rivers Electric Corporation

Attn: David Crockett

Phone: 410-468-3530

Phone: 270-826-2561

Facsimile: 410-468-3540

Facsimile: 270-827-0183

Confirmations:

Attn: Confirmations Group

Confirmations:

Attn:

Phone: 410-468-3620

Phone:

Facsimile: 410-468-3540

Facsimile:

Payments:

Attn: Payments Group

Payments:

Attn: Steve Thompson

Phone: 410-468-3620

Phone: 270-826-3991

Facsimile: 410-468-3540

Facsimile: 270-685-2270

Wire Transfer:

BNK: M&T Bank

Wire Transfer:

BNK: AREA Bank (BB&T)

ABA: 022000046

ABA: 083900428

ACCT: 191-9007-8

ACCT: 119695

Credit and Collections:

Attn: Credit Risk Department

Credit and Collections:

Attn: Steve Thompson

Phone: 410-468-3412

Phone: 270-826-3991

Facsimile: 410-468-3828

Facsimile: 270-685-2270

With additional Notices of an Event of Default or Potential Event of Default to:

Attn: General Counsel
Phone: 410-468-3500
Facsimile: 410-468-3499

With additional Notices of an Event of Default or Potential Event of Default to:

Alcan Primary Products Corporation
("Alcan")
Attn: Pam Schneider
Phone: (270) 521-7315
Facsimile: (270) 521-7305

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff Tariff: Market-Based Dated: May 15, 1997 Docket Number: ER97-2261

Party B Tariff Tariff: Dated: Docket Number:

Article Two

Transaction Terms and Conditions Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

Events of Default; Remedies

- Cross Default for Party A: NOT APPLICABLE
- Party A: Cross Default Amount \$ _____
- Other Entity: _____ Cross Default Amount \$ _____
- Cross Default for Party B: NOT APPLICABLE
- Party B: Cross Default Amount \$ _____
- Other Entity: _____ Cross Default Amount \$ _____

5.6 Closeout Setoff

- Option A (Applicable if no other selection is made.)
- Option B -- Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows: _____
- Option C (No Setoff)

Article 8

Credit and Collateral Requirements

8.1 Party A Credit Protection:

(a) Financial Information:

- Option A
- Option B
- Option C Specify: Periodic financial statements as requested by Party A

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

Party B Collateral Threshold: an amount equal to the Guarantee Amount as defined in section (e) below; provided, however, that Party B's Collateral Threshold shall be zero if an Event of Default or Potential Event of Default with respect to Party B has occurred and is continuing.

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party B if Party B's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party B is not rated by either S&P or Moody's

Other:

Specify: _____

(e) Guarantor for Party B: Alcan Corp.

Guarantee Amount: \$3,500,000.00 from Alcan Corporation., a Texas corporation.

8.2 Party B Credit Protection:

(a) Financial Information:

- Option A
- Option B Specify: Constellation Energy Group, Inc
- Option C Specify: _____

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party A if Party A's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party A is not rated by either S&P or Moody's
- Other:
Specify: _____

(e) Guarantor for Party A: Not Applicable

Guarantee Amount: \$ _____, or an amount mutually agreed to by the parties from time to time in accordance with Party A's Collateral Threshold as defined above.

Article 10

Confidentiality

- Confidentiality Applicable
- If not checked, inapplicable.

Schedule M

- Party A is a Governmental Entity or Public Power System
- Party B is a Governmental Entity or Public Power System
- Add Section 3.4 If not checked, inapplicable
- Add Section 8.4 If not checked, inapplicable

Other Changes: Applicable

Specify, if any: See below

The above-referenced Master Agreement between Constellation Energy Commodities Group, Inc. ("Constellation" or "Party A") and Kenergy Corp. ("Kenergy" or "Party B") dated October 17, 2007 shall be amended by the General Terms and Conditions as stated below. The Master Agreement is intended by the Parties to cover only the Covered Transaction(s) each of which shall be for resale by Kenergy to Alcan Primary Products corporation ("Alcan"), a Texas Corporation, under an Agreement for Electric Service dated July 15, 1998. "Covered Transaction(s)" shall mean: (a) the single contemplated transaction pursuant to which Party A would sell Party B 25 MW of Firm LD energy on a 7 (day) by 24 (hour) basis for resale to Alcan for consumption by Alcan at its smelter in Sebree, Kentucky, beginning January 1, 2008 and ending June 30, 2008; and/or (b) any other similar transaction agreed to by the Parties for resale to Alcan (and consented to by Alcan). Unless specifically agreed otherwise in a Confirmation Letter, the Master Agreement, as modified by the following General Terms and conditions, shall apply to each Covered Transaction. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Master Agreement. The Master Agreement between Party A and Party B dated February 6, 2006 relating to the resale of energy by Party B to an affiliate of Century Aluminum Company and the Covered Transaction(s) thereunder, including but not limited to an event of default, shall have no application to this Master Agreement and the Covered Transactions described above.

Part 1. GENERAL TERMS AND CONDITIONS.

(a) Article One shall be amended as follows:

- (i) Section 1.12 shall be amended by replacing "issues" with "issuer" in the fourth line.
- (ii) Section 1.24 shall be amended by deleting in its entirety and replacing with the following new term: "Gains" means, with respect to any Party, an amount equal to the present value, calculated at the Discount Rate, of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of a Terminated Transaction, determined in a commercially reasonable manner.
- (iii) Section 1.27 is amended by deleting the phrase "or a foreign bank with a U.S. branch" and replacing it with the phrase "or a U.S. branch of a foreign bank".
- (iv) Section 1.28 shall be amended by deleting in its entirety and replacing with the following new term: "Losses" means, with respect to any Party, an amount equal to the present value, calculated at the Discount Rate, of the economic loss to it, if any (exclusive of Costs), resulting from termination of a Terminated Transaction, determined in a commercially reasonable manner.
- (v) Section 1.50 is amended by changing "Section 2.4" to "Section 2.5".
 - (vi) Section 1.51 shall be amended by (i) adding the phrase "for delivery" immediately before the phrase "at the Delivery Point" in the second line and (ii) deleting the phrase "at Buyer's option" from the fifth line and replacing it with the following: "absent a purchase".
 - (vii) Section 1.53 shall be amended by (i) deleting the phrase "at the Delivery Point" from the second line, (ii) deleting the phrase "at Seller's option" from the fifth line and replace it with the following: "absent a sale", and (iii) inserting after the phrase "commercially reasonable manner" in the sixth line, the following phrase "; provided, however if the Seller is unable after using commercially reasonable efforts to resell all or a portion of the Product not received by Buyer, the Sales Price with respect to such Product shall be deemed equal to zero (0)".
- (viii) The following shall be added as a new Definitions:

"Discount Rate" means, the observed yield to maturity, as of the Early Termination Date, of marketable direct obligations of the United States Treasury bearing a maturity date of June 30, 2008 (or as close to such date as possible).

(c) Article Five shall be amended as follows:

- (i) Section 5.1(a) shall be amended by deleting "three (3) Business Days" and replacing it with "two (2) Business Day" in the second line;
- (ii) Section 5.1(h)(ii) shall be amended by deleting the following phrase from the third and fourth line thereof: "and such failure shall not be remedied within three (3) Business Days after written notice".
- (v) Section 5.4 shall be amended by adding the following clause at the end of Section 5.4:

"Notwithstanding any provision to the contrary contained in this Agreement, the Non-Defaulting Party shall not be required to pay to the Defaulting Party any amount under Article 5 until the Non-Defaulting Party receives confirmation satisfactory to it in its reasonable discretion (which may include an opinion of its counsel) that all other obligations of any kind whatsoever of the Defaulting Party to make any payments to the Non-Defaulting Party or any of its Affiliates under this Agreement or otherwise which are due and payable as of the Early Termination Date have been fully and finally performed."

ANY PROCEEDINGS ARISING OUT OF AND/OR RELATING TO THIS AGREEMENT SHALL BE RESOLVED BY A JUDGE TRIAL WITHOUT A JURY AND THE RIGHT TO A JURY TRIAL IS WAIVED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW. Each party hereto hereby (a) certifies that no representative, agent or attorney of another person has represented, expressly or otherwise, that such other person would not, in the event of a Proceeding, seek to enforce the foregoing waiver and (b) acknowledges that it has not been induced to execute and deliver, or change its position in reliance upon the benefits of, this Agreement by, among other things, the mutual waivers and certifications in this Section."

- (iii) Section 10.10 is amended by deleting the section in its entirety and replacing it with the following new Section: "Bankruptcy. The Parties acknowledge and agree that (i) any Transaction with a maturity date more than two days after the date the Transaction is entered into constitutes a "forward contract" within the meaning of the United States Bankruptcy Code (the "Bankruptcy Code"); (ii) certain Transactions may constitute "swap agreements" within the meaning of the Bankruptcy Code; (iii) all payments made or to be made by one Party to the other Party pursuant to this Agreement are "settlement payments" within the meaning of the Bankruptcy Code; and (iv) all transfers of Performance Assurance by one Party to the other Party under this Agreement are "margin payments" within the meaning of the Bankruptcy Code. Each Party further agrees that, for purposes of this Agreement, the other Party is not a "utility" as such term is used in 11 U.S.C. Section 366, and each Party agrees to waive and not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further agrees to waive the right to assert that the other Party is a provider of last resort."
- (iv) Section 10.11 shall be amended by adding (1) the phrase "or the completed Cover Sheet to this Master Agreement"; (2) , immediately before the phrase "to a third party" in the fourth line thereof, between the words "employees" and "lenders", add the word "Affiliates"; (3) in the seventh line thereof, between the word "proceeding" and the semi-colon, which immediately follows, add the words "applicable to such Party or any of its Affiliates"; and (4) an additional sentence at the end of Section 10.11: "A Party may disclose (i) any one or more of the commercial terms of a Transaction (other than the name of the other Party unless otherwise agreed to in writing by the Parties) to any industry price source for the purpose of aggregating and reporting such information in the form of a published energy price index and (ii) disclose all or any portion of this Agreement to Century Aluminum of Kentucky General Partnership and its affiliates.."
- (v) The following Section shall be added as a new Section 10.13.
Imaged Agreement. Any original executed Agreement, Confirmation or other related document may be photocopied and stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Confirmation, if introduced as evidence in automated facsimile form, the Recording, if introduced as evidence in its original form and as transcribed onto paper, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the Recording, the Confirmation or the Imaged Agreement (or photocopies of the transcription of the Recording, the Confirmation or the Imaged Agreement) on the basis that such were not originated or maintained in documentary form under either the hearsay rule, the best evidence rule or other rule of evidence."
- (vi) The following Section shall be added as a new Section 10.14:
FERC Standard of Review; Mobile-Sierra Waiver.

(a) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in subsection (b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) (the "Mobile-Sierra" doctrine).

(b) In addition, and notwithstanding the foregoing subsection (a), to the fullest extent permitted by applicable law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under §§ 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable law, the "sanctity of contract" principles acknowledged by FERC in its Notice of Proposed Policy Statement (Issued August 1, 2002) in Docket No. PL02-7-000, Standard of Review for Proposed Changes to Market-Based Rate Contracts for Wholesale Sales of Electric Energy by Public Utilities, ("NPPS") shall prevail and neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this agreement, notwithstanding any subsequent changes in applicable law or market conditions that may occur. In the event it were to be determined that applicable law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this subsection (b) shall not apply, provided that, consistent with the foregoing subsection (a), neither Party shall seek any such changes except under the "public interest" standard of review and otherwise as set forth in the foregoing section (a).

(c) In connection with the foregoing, the Parties acknowledge that, pursuant to the NPPS, FERC has invited interested persons to submit comments with respect to the provisions thereof and therefore agree that, if and to the extent FERC adopts in a final or subsequent policy statement ("FPS") which requires, in order to exclude application of the just and reasonable standard under the Mobile-Sierra doctrine, the use of specific language which varies from that set out in the foregoing subsection (a), then the foregoing subsection(a) shall, without further action of either Party, be deemed amended to incorporate such specific language that requires the public interest standard of review, provided that to the extent that the specific language adopted in an FPS is in any way inconsistent with the mutual intent of the Parties in this regard as currently set forth in the foregoing subsections (a) and (b), then the Parties agree to meet to attempt to negotiate in good faith an amendment to this Section 10 to address such inconsistencies, provided further that neither Party shall be obligated in any way to agree to any such amendment if to do so would be inconsistent with such current mutual intent as expressed herein or would expose such Party in any way to greater risk of changes being ordered by FERC to this Agreement."

IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed as of the date first above written.

Party A – CONSTELLATION ENERGY
COMMODITIES GROUP, INC.

Party B – KENERGY CORP.

By: Stu Rubenstein

By: Sanford Novick

Name: Stuart R. Rubenstein

Name: Sanford Novick

Title: Chief Operating Officer

Title: President and CEO

DISCLAIMER: This Master Power Purchase and Sale Agreement was prepared by a committee of representatives of Edison Electric Institute ("EEI") and National Energy Marketers Association ("NEM") member companies to facilitate orderly trading in and development of wholesale power markets. Neither EEI nor NEM nor any member company nor any of their agents, representatives or attorneys shall be responsible for its use, or any damages resulting therefrom. By providing this Agreement EEI and NEM do not offer legal advice and all users are urged to consult their own legal counsel to ensure that their commercial objectives will be achieved and their legal interests are adequately protected.

(b) Article Six shall be amended as follows:

(i) Section 6.8 "Transaction Netting" shall be deleted.

(c) Article Seven shall be amended as follows:

Section 7.1, shall be amended by (i) deleting in the fifteenth line the words, "UNLESS EXPRESSLY HEREIN PROVIDED", (ii) adding in the nineteenth line the words PROVIDED, HOWEVER, NOTHING IN THIS SECTION SHALL AFFECT THE ENFORCEABILITY OF THE PROVISIONS OF THIS AGREEMENT RELATING TO REMEDIES FOR FAILURE TO DELIVER/RECEIVE IN SECTIONS 4.1 AND 4.2, AND CALCULATION AND PAYMENT OF THE TERMINATION PAYMENT IN SECTIONS 5.2 AND 5.3." immediately after the words "ANY INDEMNITY PROVISION OR OTHERWISE", and (iii) adding at the end of the last sentence the words "AND ARE NOT PENALTIES".

(d) Article Eight shall be amended as follows:

- (i) Section 8.1(d) shall be amended by adding the following phrase after the phrase "or other credit assurance acceptable to Party A within three (3) Business Days of receipt of notice": "or fails to maintain such Performance Assurance or guaranty or other credit assurance for so long as the Downgrade Event is continuing".
- (ii) Section 8.2(d) shall be amended by adding the following phrase after the phrase "or other credit assurance acceptable to Party B within three (3) Business Days of receipt of notice": "or fails to maintain such Performance Assurance or guaranty or other credit assurance for so long as the Downgrade Event is continuing".

(e) Article Nine shall be amended as follows:

- (i) Section 9.1 shall be deleted in its entirety.
- (ii) Section 9.2 shall be amended by deleting the Section number.

(f) Article Ten shall be amended as follows:

- (i) Section 10.2(ii) shall be amended by inserting at the end of the sentence the words, "provided, however, that in the case of Party B, this representation shall only be effective upon approval by the Kentucky Public Service Commission of the rates, terms and conditions of the retail sale by Party B to Alcan. Section 10.2 (ix) is amended to read in its entirety as follows:
" (ix) (1) it is a "forward contract merchant" within the meaning of the United States Bankruptcy Code; (2) it is an "eligible contract participant" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (12); and (3) it is an "eligible commercial entity" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (11); and (x) with respect to Party B, Party B represents and warrants that the rates, terms and conditions of the Transaction are based on specifications required by and consented to by Party B and Alcan."
- (ii) Section 10.6 is deleted in its entirety and replaced with the following new Section:

"10.6 Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be construed in accordance with, and this Agreement and all matters arising out of or relating in any way whatsoever to this Agreement (whether in contract, tort or otherwise) shall be governed by, the law of the State of New York.

FROM: Constellation Energy Commodities Group, Inc.

TO: Kenergy Corp.
P.O. Box 18
Henderson, KY 42419-0018
270-826-3991* FAX: 270-685-5891

Trade ID#:
Trade Date: November 2, 2007

This Confirmation Letter memorializes the Transaction agreed to on November 2, 2007 between Constellation Energy Commodities Group, Inc. ("Constellation") and Kenergy Corp. ("Kenergy"), (each individually a "Party" and collectively the "Parties"), regarding the purchase and sale of Firm Energy for resale by Kenergy to Alcan Aluminum ("Alcan"). The terms and conditions as follows:

Purchaser: Kenergy
Seller: Constellation
Term: January 1, 2008 through June 30, 2008, subject to acceptance by the Kentucky Public Service Commission of Kenergy rates and charges to Alcan.
Delivery: All hours, including NERC holidays, HE 0100 through 2400 Central Prevailing Time (CPT)
Contract Quantity: 25 MW of Firm L.D. Energy per hour. (Total 109,175 MWh)
Delivery Point: Into Big Rivers Electric Corporation, Sellers Daily Choice
Energy Price: \$57.50 per MWh
Conditions: Firm (LD)
Scheduling: All transmission scheduling to be done by Constellation in accordance with the appropriate control area or RTO deadlines.

Special Conditions:

The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

Constellation Real-Time Communications and Scheduling: 410-468-3530

Special Payment
Conditions:

(i) On any Business Day during the Term, Kenergy may determine, in its sole discretion, that instead of purchasing the remaining Contract Quantity, Constellation shall remarket the remaining Contract Quantity. The day on which such notice is provided shall be the "Notification Day" and shall be provided to Constellation prior to 12 pm Eastern Prevailing Time on the Notification Day.

(ii) Constellation shall promptly determine the amount of MWh's remaining to be delivered under this Confirmation Letter from the end of the scheduling day prior to the Settlement Day, as hereafter defined, until the end of the Term (the "Settlement Amount"). With respect to such Settlement Amount and within two Business Days following the Notification Day (the "Settlement Day"), Constellation shall then pay Kenergy (or Kenergy shall then pay Constellation, as the case may be), the positive or negative difference between the Settlement Amount times (a) the Energy Price and (b) the ICE settled Cinergy Hub LMP Swap Price, as determined on the Notification Day, for all On-Peak and Off-Peak MWhs minus \$1 (one) USD.

(iii) Payment made in accordance with section (b)(ii) above shall be in full satisfaction of the obligation of Kenergy to pay the Energy Price and the obligation of Constellation to deliver the remaining Contract Quantity such that the Product shall no longer be delivered, or deliverable, by the beginning of the Settlement Day.

Unwind Costs:

(1) Kenergy will use all reasonable efforts to obtain the approval of the Kentucky Public Service Commission ("Commission") necessary to perform its obligations under this Agreement. To the extent that Kenergy fails to obtain Commission approval, Constellation will be entitled to collect as damages one hundred (100) percent of all costs that it incurs to "unwind" or dissolve the transactions entered into by Constellation to hedge the instant agreement ("Unwind Costs").

(2) Unwind Costs shall be determined by Constellation in a commercially reasonable manner.

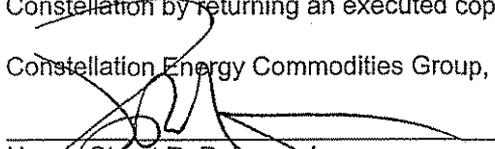
(3) Neither Kenergy, its successors or assigns, nor Constellation, its successors and assigns, will request or encourage the Commission (or encourage or solicit any other person to request or encourage the Commission) to reject or modify Kenergy's application for the acceptance and approval of the rates, terms and conditions contemplated by this Agreement. In the event that Kenergy, its successors or assigns, breaches this provision, Constellation will be entitled to collect as damages from Kenergy one hundred (100) percent of all Unwind Costs. In the event that Constellation, its successors or assigns, breaches this provision, Kenergy shall be entitled to collect as damages from Constellation, for the benefit of Alcan Aluminum, the positive difference, if any, between its replacement cost per unit of electric energy at the Delivery Point and the rates for Tier 3 Energy required to be delivered under the Agreement.

Terms:

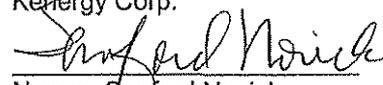
This Confirmation Letter shall be governed by, and incorporates by reference: (a) the attached Cover Sheet and Special Provisions to the Master Power Purchase and Sale Agreement, dated as of October 17, 2007 between Constellation and Kenergy (the "Agreement") and (b) the standard form Master Power Purchase and Sale Agreement (ver.2.1) published by the Edison Electric Institute (EEI), which together shall constitute the general terms and conditions applicable to this Confirmation Letter and the Transaction (collectively, the "Master Agreement"). The obligation to deliver a Guarantee, as set forth in the Agreement, shall be delivered to Constellation within 2 Business Days upon the execution of this Confirmation Letter.

Please confirm that terms stated herein accurately reflect the agreement reached between Kenergy and Constellation by returning an executed copy of this Confirmation Letter. (Fax: 410-468-3540)

Constellation Energy Commodities Group, Inc.


Name: Stuart R. Rubenstein
Title: Chief Operating Officer
Date:

Kenergy Corp.


Name: Sanford Novick
Title: President
Date: 11/6/07

VSM

RPD
11/7/07

RPD
11/8/07

CONSENT

Alcan Primary Products Corporation, a Texas corporation, ("Alcan") hereby agrees with Kenergy Corp. ("Kenergy") and Constellation Energy Commodities Group, Inc ("Constellation") that Alcan has reviewed the Confirmation Letter between Kenergy and Constellation dated November 2, 2007, together with the Master Power Purchase and Sale Agreement (including Cover Sheet) dated October 17, 2007, between Kenergy and Constellation (collectively, the "Tier 3 Wholesale Agreement"), and hereby consents to the execution, delivery and performance of that Tier 3 Wholesale Agreement for all purposes.

Dated: November 2, 2007

ALCAN PRIMARY PRODUCTS
CORPORATION

By: 

Pam Schneider
Treasurer

REQUEST FOR POWER

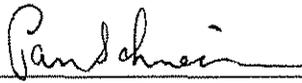
Alcan Primary Products Corporation, a Texas corporation, ("Alcan") hereby requests Kenergy Corp. ("Kenergy") to purchase from Constellation Energy Commodities Group, Inc, ("Constellation") 25 MW of around-the-clock Firm L.D. Tier 3 Energy from January 1, 2008 through June 30, 2008, in accordance with the rates, terms and conditions set forth in the Confirmation Letter dated November 2, 2007, said Confirmation Letter being subject to the terms and conditions of a Master Power Purchase and Sale Agreement (including attached Cover Sheet) dated October 17, 2007, between Kenergy and Constellation (collectively, the "Tier 3 Agreement").

In consideration thereof, Alcan agrees to purchase from Kenergy at retail the delivered amounts of such Tier 3 Energy on the same terms and conditions and at the same rates contained in the Tier 3 Agreement plus the applicable distribution fee included in Kenergy's smelter tariff plus charges for transmission and ancillary services, if any, with respect to such Tier 3 Energy.

The terms and conditions of the Agreement for Electric Service between Kenergy and Alcan dated July 15, 1998 (the "Alcan Power Agreement") are, to the extent applicable, incorporated herein by reference.

This the 2nd day of November, 2007.

ALCAN PRIMARY PRODUCTS
CORPORATION

By: 
Pam Schneider
Treasurer

DORSEY, KING, GRAY, NORMENT & HOPGOOD
ATTORNEYS-AT-LAW

318 SECOND STREET
HENDERSON, KENTUCKY 42420

JOHN DORSEY (1920-1986)
FRANK N. KING, JR.
STEPHEN D. GRAY
WILLIAM B. NORMENT, JR.
J. CHRISTOPHER HOPGOOD
S. MADISON GRAY

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TELEFAX
(270) 826-6672
www.dkgnlaw.com

November 26, 2007

RECEIVED

NOV 27 2007

PUBLIC SERVICE
COMMISSION

FEDEX

Ms. Elizabeth O'Donnell
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Re: Kenergy Corp. ("Kenergy")
2008 TIER 3 Energy for Century Aluminum of
Kentucky General Partnership ("Century")
Wholesale Supplier: Constellation Energy
Commodities Group, Inc. ("Constellation")

Dear Ms. O'Donnell:

Kenergy requests the Commission's acceptance of a special retail contract regarding the above. Enclosed please find the executed original and one copy of the following: Request for Power, Confirmation Letter and Consent. These documents comprise the special retail contract that Kenergy requests the Commission to accept.

In a previous filing with the Commission involving Kenergy, Century and Constellation (Commission Filing No. TFS 2006-00382) an EEI Master Power Purchase and Sale Agreement along with an executed Cover Sheet was filed. Therefore a separate Cover Sheet is not enclosed herewith.

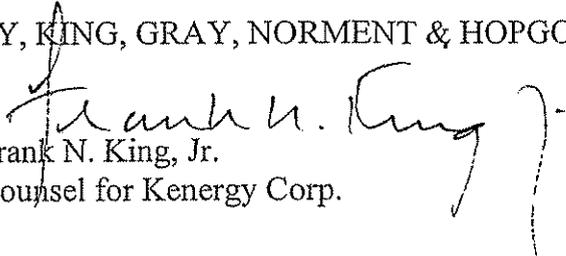
In light of the upcoming holidays, Kenergy respectfully requests that the notice period be shortened to 20 days. This will allow the affected parties to receive advance notice of the Commission's action well before the commencement of the term for this transaction, which is January 1, 2008.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Kenergy Corp.

Page 2
November 26, 2007

FNKJr/cds

Encls.

COPY/w/o/encls.: Mr. David Brown
Mr. David Hamilton
Ms. Vangie McGilloway

FROM: Constellation Energy Commodities Group, Inc.

TO: Kenergy Corp.
P.O. Box 18
Henderson, KY 42419-0018
270-826-3991* FAX: 270-685-5891

Trade ID#:
Trade Date:

This Confirmation Letter memorializes the Transaction agreed to on October 17, 2008 between Constellation Energy Commodities Group, Inc. ("Constellation") and Kenergy Corp. ("Kenergy"), (each individually a "Party" and collectively the "Parties"), regarding the purchase and sale of Firm Energy for resale by Kenergy to Century Aluminum of Kentucky General Partnership ("Century"). The terms and conditions as follows:

Purchaser: Kenergy

Seller: Constellation

Term: January 1, 2008 through June 30, 2008, subject to acceptance by the Kentucky Public Service Commission of Kenergy rates and charges to Century.

Delivery: All hours, including NERC holidays, HE 0100 through 2400 Central Prevailing Time (CPT)

Contract Quantity: 50 MW of Firm L.D. energy per hour. (Total 218,350 MWh)

Delivery Point: Into Big Rivers Electric Corporation, Sellers Daily Choice

Energy Price: \$56.00 per MWh

Conditions: Firm (LD):

Scheduling: All transmission scheduling to be done by Constellation in accordance with the appropriate control area or RTO deadlines.

Special Conditions:

The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

Constellation Real-Time Communications and Scheduling: 410-468-3530

Special Payment
Conditions:

On or before the last Business Day of the month prior to a delivery month, Kenergy shall pay the total amount due to Constellation for the succeeding calendar month's delivery of Firm Energy (the "Prepayment") into the Security and Lock Box Agreement to be entered into by the Parties, Century and the Depository Bank.

(i) On any Business Day during the Term, Kenergy may determine, in its sole discretion, that instead of purchasing the remaining Contract Quantity, Constellation shall remarket the remaining Contract Quantity. The day on which such notice is provided shall be the "Notification Day" and shall be provided to Constellation prior to 12 pm Eastern Prevailing Time on the Notification Day.

(ii) Constellation shall promptly determine the amount of MWh's remaining to be delivered under this Confirmation Letter from the end of the scheduling day prior to the Settlement Day, as hereafter defined, until the end of the Term (the "Settlement Amount"). With respect to such Settlement Amount and within two Business Days following the Notification Day (the "Settlement Day"), Constellation shall then pay Kenergy (or Kenergy shall then pay Constellation, as the case may be), the positive or negative difference between the Settlement Amount times (a) the Energy Price and (b) the ICE settled Cinergy Hub LMP Swap Price, as determined on the Notification Day, for all On-Peak and Off-Peak MWhs minus \$1 (one) USD.

(iii) Payment made in accordance with section (b)(ii) above shall be in full satisfaction of the obligation of Kenergy to pay the Energy Price and the obligation of Constellation to deliver the remaining Contract Quantity such that the Product shall no longer be delivered, or deliverable, by the beginning of the Settlement Day.

With respect to this Transaction only, on or before the close of business on October 18, 2007, Century shall provide a security deposit, in a form reasonably acceptable to Constellation in the amount of USD \$1,500,000.00 million. Deposit to be held in interest bearing account with interest accruing at the Interest Rate (as defined below), with interest payable to Century at the end of the Term of this Transaction via wire transfer to Century. Constellation shall have the right to request additional security, in the form of cash or letter of credit, from Century in the event Exposure to this Transaction exceeds a value of USD \$1,250,000 million at any time during the Term of this Transaction. Such additional security shall be provided within 2 Business Days of Constellation's request. "Interest Rate" means the rate for that day opposite the caption "Federal Funds (Effective)" as set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System, plus 50 bps.

Unwind Costs:

(1) Kenergy will use all reasonable efforts to obtain the approval of the Kentucky Public Service Commission ("Commission") necessary to perform its obligations under this Agreement. To the extent that Kenergy fails to obtain Commission approval, Constellation will be entitled to collect as damages one hundred (100) percent of all costs that it incurs to "unwind" or dissolve the transactions entered into by Constellation to hedge the instant agreement ("Unwind Costs").

(2) Unwind Costs shall be determined by Constellation in a commercially reasonable manner.

(3) Neither Kenergy, its successors or assigns, nor Constellation, its successors and assigns, will request or encourage the Commission (or encourage or solicit any other

person to request or encourage the Commission) to reject or modify Kenergy's application for the acceptance and approval of the rates, terms and conditions contemplated by this Agreement. In the event that Kenergy, its successors or assigns, breaches this provision, Constellation will be entitled to collect as damages from Kenergy one hundred (100) percent of all Unwind Costs. In the event that Constellation, its successors or assigns, breaches this provision, Kenergy shall be entitled to collect as damages from Constellation, for the benefit of Century Aluminum, the positive difference, if any, between its replacement cost per unit of electric energy at the Delivery Point and the rates for Tier 3 Energy required to be delivered under the Agreement.

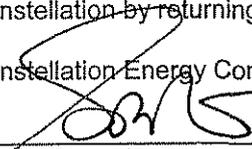
Prepayment shall be made in accordance with the attached Schedule A "PAYMENT DATES AND AMOUNTS", and no invoice shall be provided. Constellation shall if necessary make any adjustments for differences in the amount paid and the amount of Firm Energy actually delivered by providing a settlement statement prior to the following month's Prepayment, and if Constellation owes a refund of any amount to Kenergy such refund may be deducted from the subsequent month's Prepayment.

Terms:

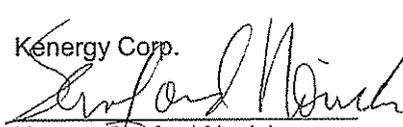
This Confirmation Letter shall be governed by, and incorporates by reference: (a) the attached Cover Sheet and Special Provisions to the Master Power Purchase and Sale Agreement, dated as of February 7, 2006 between Constellation and Kenergy and (b) the standard form Master Power Purchase and Sale Agreement (ver.2.1) published by the Edison Electric Institute (EEI), which together shall constitute the general terms and conditions applicable to this Confirmation Letter and the Transaction (collectively, the "Master Agreement").

Please confirm that terms stated herein accurately reflect the agreement reached between Kenergy and Constellation by returning an executed copy of this Confirmation Letter. (Fax: 410-468-3540)

Constellation Energy Commodities Group, Inc.


Name: Stuart R. Rubenstein
Title: Chief Operating Officer
Date:

Kenergy Corp.


Name: Sanford Novick
Title: President
Date:

SC 10/23/07

ESC

RPO

SCHEDULE A
PAYMENT DATES AND AMOUNTS

| Due Date | Delivery Period | Amount |
|-------------------|-----------------|----------------|
| December 31, 2007 | Jan - 2008 | \$2,067,706.20 |
| January 31, 2008 | Feb - 2008 | \$1,934,874.20 |
| February 29, 2008 | Mar - 2008 | \$2,067,402.40 |
| March 31, 2008 | Apr - 2008 | \$2,001,300.00 |
| April 30, 2008 | May - 2008 | \$2,067,706.20 |
| May 30, 2008 | June - 2008 | \$2,000,712.00 |

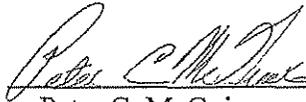
CONSENT

Century Aluminum of Kentucky General Partnership, a Kentucky general partnership ("Century") hereby agrees with Kenergy Corp. ("Kenergy") and Constellation Energy Commodities Group, Inc. ("Constellation") that Century has reviewed the Confirmation Letter between Kenergy and Constellation dated October 17, 2007, together with the Master Power Purchase and Sale Agreement dated February 7, 2006 (including the attached Cover Sheet) (collectively, the "Tier 3 Wholesale Contract"), and hereby consents to the execution, delivery and performance of the Tier 3 Wholesale Contract for all purposes.

Dated: October 17, 2007

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: METALSCO, LLC, General Partner

By: 
Peter C. McGuire
Vice-President

REQUEST FOR POWER

Century Aluminum of Kentucky General Partnership, a Kentucky general partnership ("Century") hereby requests Kenergy Corp. ("Kenergy") to purchase from Constellation Energy Commodities Group, Inc, ("Constellation") 50 MW of around-the-clock Firm L.D. Tier 3 Energy from January 1, 2008 through June 30, 2008, in accordance with the rates, terms and conditions set forth in the Confirmation Letter dated October 17, 2007, said Confirmation Letter being subject to the terms and conditions of a Master Power Purchase & Sale Agreement (including attached Cover sheet) dated February 7, 2006, between Kenergy and Constellation (collectively, the "Tier 3 Agreement").

In consideration thereof, Century agrees to purchase from Kenergy at retail the delivered amounts of such Tier 3 Energy on the same terms and conditions and at the same rates contained in the Tier 3 Agreement plus the applicable distribution fee included in Kenergy's smelter tariff plus charges for transmission and ancillary services, if any, with respect to such Tier 3 Energy.

The terms and conditions of the Agreement for Electric Service between Kenergy and Century dated July 15, 1998 (the "Century Power Agreement") are, to the extent applicable, incorporated herein by reference.

This the 17th day of October, 2007.

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: METALSCO, LLC, General Partner

By: 
Peter C. McGuire
Vice-President

DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

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JOHN DORSEY (1920-1996)
FRANK N. KING, JR.
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J. CHRISTOPHER HOPGOOD
S. MADISON GRAY

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December 3, 2007

FEDEX

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DEC 04 2007

PUBLIC SERVICE
COMMISSION

Ms. Elizabeth O'Donnell
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Re: Kenergy Corp.
2008 TIER 3 Energy for Century Aluminum of
Kentucky General Partnership
Wholesale Supplier: Big Rivers
Electric Corporation

Dear Ms. O'Donnell:

Kenergy Corp. ("Kenergy") requests the Commission's acceptance of a special retail contact regarding the above.

At the request of Century Aluminum of Kentucky General Partnership ("Century") Kenergy has entered into a wholesale agreement with Big Rivers Electric Corporation ("Big Rivers") for the purchase of energy to be sold retail to Century commencing January 1, 2008. Enclosed please find the executed original and one copy of Request for Power, Agreement for Tier 3 Energy, and Consent. These three (3) documents comprise the special retail contract that Kenergy requests the Commission to accept.

Additionally, the Commission is requested to issue a separate acceptance letter regarding the Agreement for Tier 3 Energy between Big Rivers and Kenergy, which is the wholesale contract for this transaction.

Page Two
December 3, 2007

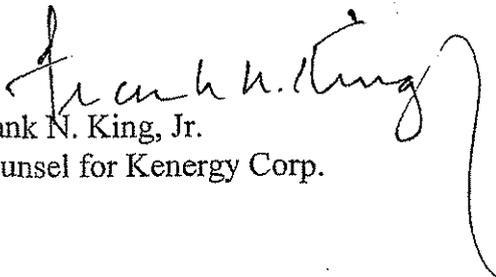
In light of the January 1, 2008, effective date for this transaction Kenergy respectfully requests that the notice period be shortened to 20 days.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Kenergy Corp.

FNKJr/cds

Encls.

COPY/w/encls. (including remaining transaction documents):

Mr. David Brown
Mr. James Miller
Mr. David Hamilton
Mr. David Spainhoward

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AGREEMENT FOR TIER 3 ENERGY
BETWEEN
KENERGY CORP.
AND
BIG RIVERS ELECTRIC CORPORATION
(CENTURY)

ARTICLE I: PARTIES

The Parties to this Agreement, dated as of this 29th day of November, 2007 are KENERGY CORP., a Kentucky corporation organized under KRS Chapter 279 ("Kenergy") and BIG RIVERS ELECTRIC CORPORATION, a Kentucky corporation ("Supplier" or "Big Rivers"). Kenergy and Supplier are each referred to individually as a "Party" and collectively as "Parties." It is recognized by the Parties that Century Aluminum of Kentucky General Partnership ("Century") is a third-party beneficiary under this Agreement. Pursuant to the attached Form of Consent, Century consents to this Agreement.

ARTICLE II: RECITALS

Section 2.01 Supplier is engaged in the business of selling electric power at wholesale.

Section 2.02 Kenergy is an electric cooperative that provides electric energy at retail to Century pursuant to an agreement entitled "Agreement for Electric Service" between Kenergy and Century dated July 15, 1998 (the "Century Power Agreement").

Section 2.03 Century owns and operates an aluminum reduction plant in Hawesville, Hancock County, Kentucky (the "Hawesville Facility").

Section 2.04 Pursuant to Section 9.2 of the Century Power Agreement and upon the request of Century, Kenergy shall contract with one or more third party suppliers for certain quantities of energy denominated as "Tier 3 Energy" at prices, terms and conditions that respond to Century's requirements.

Section 2.05 Century has made a request for certain volumes of Tier 3 Energy, and Kenergy therefore desires to enter into an agreement with Supplier to purchase for resale to Century, and Supplier desires to enter into an agreement with Kenergy to sell to Kenergy, the following blocks of Tier 3 Energy:

Block A – a block of 63 MW of System Firm Tier 3 Energy for delivery in On-Peak Hours in year 2008, as set forth in Article V of this Agreement ("Block A Energy");

Block B – a block of 63 MW of System Firm Tier 3 Energy for delivery in Wrap Hours in year 2008, as set forth in Article VI of this Agreement ("Block B Energy");

Block C – a block of up to 15 MW of fully interruptible Tier 3 Energy subject to scheduling requirements and as otherwise set forth in Article VII of this Agreement ("Block C Energy").

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the Parties agree as follows.

ARTICLE III: DEFINITIONS:

The following terms, when used in this Agreement with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

Section 3.01 Agreement: This Agreement together with any amendment to which the Parties may agree in writing from time to time and is consented to by Century.

Section 3.02 Alcan: Alcan Primary Products Corporation, its successors and assigns.

Section 3.03 Alcan Agreement: The Agreement for Tier 3 Energy between Big Rivers and Kenergy dated November 29, 2007, for the benefit of Alcan and providing for the sale and delivery of certain volumes of Tier 3 Energy in 2008 on substantially the same terms and conditions as are applicable to Block A Energy, Block B Energy and Block C Energy as set forth in this Agreement.

Section 3.04 Alcan Power Agreement: The Agreement for Electric Service between Kenergy and Alcan dated July 15, 1998, as amended.

Section 3.05 A.M.: A.M., Central Standard Time or Central Daylight Time, as applicable.

Section 3.06 Big Rivers: Big Rivers Electric Corporation, its successors and assigns.

Section 3.07 Big Rivers Resources: The sum of (1) the maximum amount of Energy that Supplier has the contractual right to purchase from WKEC under the PPA, and (2) the amount of Energy that Supplier purchases, at any given time and from time to time in its sole discretion, from SEPA under a contract between Supplier and SEPA (Contract No. 89-00-1501-637), as amended.

Section 3.08 Billing Month: Each calendar month during the term of this Agreement in which Tier 3 Energy is provided to Kenergy by Supplier under this Agreement.

Section 3.09 Block A Base Rate: As defined in Section 5.01.

Section 3.10 Block A Energy: The 63 MW of System Firm Tier 3 Energy to be delivered, as set forth in Section 5.01, subject to Supplier's right to make Permitted Curtailments.

Section 3.11 Block A Buy-Through Energy: Block A Energy that Supplier may provide at the Block A Buy-Through Price pursuant to Section 5.05(c) or at the Block A Incremental Price pursuant to Section 5.05(f).

Section 3.12 Block A Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 5.05(c), as an alternative to a Permitted Curtailment.

Section 3.13 Block A Incremental Price: The price per megawatt hour that Kenergy shall pay to Supplier pursuant to Section 5.05(f) for the incremental amount of Block A Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) that was determined after the fact to have existed in any hour.

Section 3.14 Block A Notice of Curtailment: The notice that Supplier undertakes to send, when feasible, to Kenergy and Century pursuant to Section 5.05, defining the volume and duration of any Permitted Curtailment.

Section 3.15 Block B Base Rate: As defined in Section 6.01.

Section 3.16 Block B Energy: The 63 MW of System Firm Tier 3 Energy to be delivered, as set forth in Section 6.01, subject to Supplier's right to make Permitted Curtailments.

Section 3.17 Block B Buy-Through Energy: Block B Energy that Supplier may provide at the Block B Buy-Through Price pursuant to Section 6.05(c) or at the Block B Incremental Price pursuant to Section 6.05(f).

- Section 3.18 Block B Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 6.05(c), as an alternative to a Permitted Curtailment.
- Section 3.19 Block B Incremental Price: The price per megawatt hour that Kenergy shall pay to Supplier pursuant to Section 6.05(f) for the incremental amount of Block B Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) that was determined after the fact to have existed in any hour.
- Section 3.20 Block B Notice of Curtailment: The notice that Supplier undertakes to send, when feasible, to Kenergy and Century pursuant to Section 6.05, defining the volume and duration of any Permitted Curtailment.
- Section 3.21 Block C Base Rate: As defined in Section 7.01.
- Section 3.22 Block C Energy: Up to 15 MW of Tier 3 Energy to be delivered, subject to scheduling requirements and Supplier's right of interruption, as set forth in Sections 7.01, 7.02 and 7.03 herein.
- Section 3.23 Block C Buy-Through Energy: Block C Energy that Supplier may be obligated to provide at the Block C Buy-Through Price pursuant to Section 7.03.
- Section 3.24 Block C Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 7.03, as an alternative to an Interruption.
- Section 3.25 Block C Notice of Interruption: The notice sent by Supplier to Kenergy and Century pursuant to Section 7.03, defining the volume and duration of an Interruption.

- Section 3.26 Block C Scheduled Energy: Block C Energy that has been scheduled in accordance with Section 7.02.
- Section 3.27 Century: Century Aluminum of Kentucky General Partnership, a Kentucky limited partnership, its successors and assigns.
- Section 3.28 Century Power Agreement: as defined in Section 2.02.
- Section 3.29 Delivery Term: As defined in Section 4.05.
- Section 3.30 Effective Date: The date specified in Section 4.01.
- Section 3.31 Energy: The flow of electricity denominated in kilowatt-hours or megawatt-hours.
- Section 3.32 FERC: The Federal Energy Regulatory Commission or any successor agency.
- Section 3.33 Firm L.D.: Financially firm power with liquidated damages.
- Section 3.34 Hawesville Facility: The aluminum reduction plant located in Hancock County, Kentucky, and any expansions, additions, improvements and replacements thereof or thereto at the existing site.
- Section 3.35 Interruption: The interruption by Supplier of the delivery of Block C Energy pursuant to the provisions of Section 7.03.
- Section 3.36 Kenergy: Kenergy Corp., its successors or assigns.
- Section 3.37 KPSC: The Kentucky Public Service Commission or any successor agency.
- Section 3.38 Member Cooperatives: Kenergy Corp., Meade County Rural Electric Cooperative Corporation and Jackson Purchase Energy Corporation.

- Section 3.39 Monthly Charge: The total charge in each Billing Month for Tier 3 Energy delivered or made available under this Agreement (including the charges set forth in Section 8.01) and computed in accordance with this Agreement.
- Section 3.40 NERC Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
- Section 3.41 Net Resource Deficiency: The circumstances whereby, in any hour of the Delivery Term, the amount of the Big Rivers Resources less Priority System Sales is insufficient, in whole or in part, to satisfy Big Rivers' delivery obligations of Block A Energy or Block B Energy to Kenergy for the benefit of both Century and Alcan under this Agreement and the Alcan Agreement, respectively.
- Section 3.42 On-Peak Hours: The sixteen hour period beginning at 6:00 A.M. and ending at 10:00 P.M., on Mondays through Fridays of each week, but excluding NERC Holidays.
- Section 3.43 Open Access Transmission Tariff (OATT): Any transmission tariff approved by FERC following filing by a public utility pursuant to 18 C.F.R. § 35.28(c) or approved by FERC as constituting reciprocal transmission service following a submittal by a non-public utility pursuant to 18 C.F.R. § 35.28(e).
- Section 3.44 P.M.: Means P.M., Central Standard Time or Central Daylight Time, as applicable.
- Section 3.45 Permitted Curtailment: The right of Supplier, as set forth in Section 5.03 and Section 6.03, to curtail, or deem after the fact as curtailed, the delivery of Block A Energy or Block B Energy in any hour when a Net Resource Deficiency exists but

only to the extent a Net Resource Deficiency exists; provided, however, that Big Rivers may in its sole discretion elect not to implement a *Permitted Curtailment* during a Net Resource Deficiency.

Section 3.46 Point of Delivery: *Century Point of Delivery* – The existing set of meters at the Coleman Substation or such other point of delivery to which the parties mutually agree.

Section 3.47 PPA: The Power Purchase Agreement dated July 15, 1998 between Big Rivers and LG&E Energy Marketing Inc., as amended, subsequently assigned to WKEC by Assignment and Assumption Agreement dated April 30, 2006.

Section 3.48 Priority System Sales: The amount of Energy, in any hour, that Big Rivers sells (a) to its Member Cooperatives (exclusive of sales of Tier 3 Energy to Kenergy under this Agreement and the Alcan Agreement) and (b) to any other third party purchaser during the months of January, February, March, April, May, September, October, November and December, provided however, that such sales under this Section 3.48 may not exceed 51 MW in any hour.

Section 3.49 Prudent Utility Practice: Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period; or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or

act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Section 3.50 SEPA: Southeastern Power Administration, a governmental agency, its successors and assigns.

Section 3.51 Supplier: Big Rivers Electric Corporation, its successors and assigns.

Section 3.52 System Energy Loss Factor. The percentage of Energy losses incurred on the transmission system of the Transmission Provider, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time.

Section 3.53 System Firm: Block A Energy or Block B Energy that Big Rivers is required to sell and deliver in any hour to Kenergy pursuant to this Agreement to the extent that Big Rivers does not implement a Permitted Curtailment.

Section 3.54 Transmission Provider: Big Rivers Electric Corporation, its successors or assigns, in its capacity as provider of transmission and ancillary services within the Big Rivers control area.

Section 3.55 Uncontrollable Force: Any cause beyond the control of the Party unable, in whole or in part, to perform its obligations under this Agreement which, despite exercise of due diligence and foresight, such Party could not reasonably have been expected to avoid and which, despite the exercise of due diligence, it has been unable to overcome. Such causes include, but are not limited to: acts of God; strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and

restraints of the Government, whether Federal, State or local, civil or military, civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, inability of either Party hereto to obtain necessary materials, supplies or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities, whether Federal, State or local, civil or military, and any other forces which are not reasonably within the control of the Party claiming suspension. A forced outage of a generating unit or units is not an Uncontrollable Force unless it prevents the physical delivery of power to Kenergy for resale to Century. Uncontrollable Force shall not include Century's inability to economically use the Tier 3 Energy or market conditions relating to Century's business or the products produced at the Sebree Facility.

Section 3.56 Unwind Transaction: Any transaction under which (i) Big Rivers acquires the right to all the power from the Big Rivers generating units and (ii) the Century Power Agreement and the Alcan Power Agreement are terminated.

Section 3.57 Unwind Transaction Closing Date: As defined in Section 12.06.

Section 3.58 WKEC: Western Kentucky Energy Corp., a Kentucky corporation and wholly owned subsidiary of E.ON, U.S.

Section 3.59 Working Days: Mondays through Fridays of each week except NERC Holidays.

Section 3.60 Wrap Hours: The eight hour period beginning at midnight and ending at 6:00 A.M. and beginning at 10:00 P.M. and ending at midnight every day of each week.

ARTICLE IV: EFFECTIVE DATE, INITIAL CONDITIONS AND TERMS

Section 4.01 Term. This Agreement shall become effective on the date it is executed and delivered by the Parties. The term with respect to the delivery and purchase obligations of all Tier 3 Energy to be sold and delivered under this Agreement shall be as set forth in Section 4.05. Unless earlier terminated by either Party pursuant to Section 4.04 (failure of KPSC initial approval), Section 10.01 (default) or by mutual agreement of the Parties, this Agreement shall terminate with the expiration of the Delivery Term.

Section 4.02 Condition to Purchase and Delivery Obligations. Notwithstanding the Effective Date of this Agreement, the delivery obligations of Supplier and the purchase obligations of Kenergy for all Tier 3 Energy pursuant to Articles V, VI and VII are subject to the condition that the Parties have received all regulatory and other approvals, permits and consents necessary for the purchase and sale of Tier 3 Energy under this Agreement, and any amendment thereto, and the resale of the Tier 3 Energy by Kenergy to Century.

Section 4.03 Notice of Condition Satisfaction. As soon as the condition set forth in Section 4.02 has been satisfied, Kenergy shall promptly provide written notice to Century and Supplier that the condition has been satisfied. Unless waived by Supplier in writing, the condition contained in Section 4.02 shall not be deemed satisfied until Supplier has received such notice.

Section 4.04 Cooperation. Each Party agrees to use reasonable diligence to satisfy the condition described in Section 4.02. If the condition has not been satisfied by December 31, 2007 with respect to either Block A Energy, Block B Energy or

Block C Energy, either Party, upon written notice to the other Party, may terminate that portion of the Agreement relating to such block(s) of Tier 3 Energy.

Section 4.05 Term. The delivery obligation of Supplier and the purchase obligation of Kenergy with respect to Block A Energy, Block B Energy and Block C Energy shall commence at 12:00 AM on January 1, 2008 and terminate at midnight on December 31, 2008 (the "Delivery Term"), unless earlier terminated pursuant to Section 12.06.

ARTICLE V: PURCHASE AND SALE OF BLOCK A ENERGY

Section 5.01 Block A Energy and Rate. During the Delivery Term, Supplier shall sell and deliver to Kenergy at the Century Point of Delivery, subject to Permitted Curtailments, and Kenergy shall purchase from Supplier and pay for a block of 63 MW of Energy during all On-Peak Hours ("Block A Energy"). The rate for Block A Energy for all hours of delivery shall be \$66.76 per MWh ("Block A Base Rate"). In the event but only in the event Block A Energy is acquired by Supplier from WKEC under the PPA, the Block A Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block A Energy is acquired by Supplier other than from WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 5.02 Rates Not Subject To Change. Except as set forth in Section 5.05, the rate for Block A Energy is not subject to change over the Delivery Term. Kenergy shall

purchase, accept delivery and pay for the full amount of the Block A Energy made available by Supplier. If Kenergy or Century does not accept delivery of the full amount of such Energy, the Monthly Charge shall include the amount that would have been due had the full amount of such Energy been accepted.

Section 5.03 Permitted Curtailment. Supplier shall be obligated to sell and deliver Block A Energy on a Firm L.D. basis in every hour during the Delivery Period except to the extent that Big Rivers has implemented a Permitted Curtailment. With respect to any hour when a Net Resource Deficiency is determined to exist or to have existed, Big Rivers may in its sole discretion (i) implement a full or partial Permitted Curtailment of Block A Energy or (ii) decline to implement a Permitted Curtailment. Big Rivers may after the fact determine in good faith that a Net Resource Deficiency existed in a prior hour or hours, and upon such determination, Big Rivers may, in its sole discretion, after the fact implement a Permitted Curtailment of Block A Energy. However, in the event that a Permitted Curtailment is implemented after the fact with respect to any hour or hours, Big Rivers may implement the Permitted Curtailment of Block A Energy only to the extent of the Net Resource Deficiency.

Section 5.04 Allocation of Energy Between Century and Alcan During a Permitted Curtailment. In the event of a Net Resource Deficiency during any hour, then the number of MWh to be delivered by Kenergy to Century under this Agreement at the Block A Base Rate shall be reduced based on the number of MWh of Net Resource Deficiency for that hour, multiplied by a factor the numerator of which is 63 and the denominator of which is 113. In the event the Supplier is able to

determine in advance that it will implement a Permitted Curtailment of Block A Energy (but not when such determination is made after the fact), the calculated amount of reduction of Block A Energy to be delivered at the Block A Base Rate shall be rounded up or down to the closest whole MWh.

Section 5.05 Block A Buy-Through Energy. In the event Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block A Energy, Supplier shall initiate the following procedures:

(a) Supplier shall undertake to send a Notice of Curtailment of at least thirty (30) minutes in advance to Kenergy and Century.

(b) A Notice of Curtailment may be made orally and followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be curtailed and the duration of such curtailment.

(c) In each Notice of Curtailment Supplier may, at its discretion (but without being required), offer an alternative price or prices per megawatt hour ("Block A Buy-Through Price") upon which Supplier would make the curtailed amount of Block A Energy available to Kenergy during the specified hour or hours of curtailment. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Curtailment to notify Supplier that it accepts the Block A Buy-Through Price for the Block A Energy comprising all or any part of the designated curtailment ("Block A Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block A Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block A Buy-Through Price during this ten-minute period shall constitute a rejection of the Block A Buy-Through Price, and the curtailment shall thereafter be implemented in accordance with the Notice of Curtailment.

(d) Upon Kenergy's acceptance of the Block A Buy-Through Price for the Block A Buy-Through Energy, the obligation of Supplier to provide the Block A Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block A Buy-Through Price for such Block A Buy-Through Energy instead of the Block A Base Rate.

(e) During any period of curtailment, Supplier may notify Kenergy and Century of its willingness to terminate the curtailment and resume the delivery of Block A Energy under the Block A Base Rate. Upon notification from Supplier terminating the curtailment, Kenergy shall purchase and accept delivery of Block A Energy for resale to Century at the start of the hour following such notice. Supplier shall provide Kenergy and Century at least ten (10) minutes advance notice of the termination of an curtailment.

(f) In the event that after the fact and for any hour, a Permitted Curtailment is either implemented or is increased from the amount specified in a prior Notice of Curtailment, the incremental amount of Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) so determined shall be priced by Big Rivers to Kenergy at the weighted average cost per MWh ("Block A Incremental Price") that Big Rivers incurred to acquire and supply the incremental amount of Buy-Through Energy sold to Kenergy for resale to both Century and Alcan during that hour.

Section 5.06 Service Obligation. Unless otherwise excused pursuant to Article XIV, in the event that Supplier fails to deliver the Block A Energy or Block A Buy-Through Energy, as applicable, to the Century Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonable manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VI: PURCHASE AND SALE OF BLOCK B ENERGY

Section 6.01 Block B Energy and Rate. During the Delivery Term, Supplier shall sell and deliver to Kenergy at the Century Point of Delivery, subject to Permitted Curtailments, and Kenergy shall purchase from Supplier and pay for a block of 63 MW of Energy during all Wrap Hours ("Block B Energy"). The rate for Block B Energy for all hours of delivery shall be \$26.01 per MWh ("Block B Base Rate").

In the event but only in the event Block B Energy is acquired by Supplier from WKEC under the PPA, the Block B Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block B Energy is acquired by Supplier other than from WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 6.02 Rates Not Subject To Change. Except as set forth in Section 6.05, the rate for Block B Energy is not subject to change over the Delivery Term. Kenergy shall purchase, accept delivery and pay for the full amount of the Block B Energy made available by Supplier. If Kenergy or Century does not accept delivery of the full amount of such Energy, the Monthly Charge shall include the amount that would have been due had the full amount of such Energy been accepted.

Section 6.03 Permitted Curtailment. Supplier shall be obligated to sell and deliver Block B Energy on a Firm L.D. basis in every hour during the Delivery Period except to the extent that Big Rivers has implemented a Permitted Curtailment. With respect to any hour when a Net Resource Deficiency is determined to exist or to have existed, Big Rivers may in its sole discretion (i) implement a full or partial Permitted Curtailment of Block B Energy or (ii) decline to implement a Permitted Curtailment. Big Rivers may after the fact determine in good faith that a Net Resource Deficiency existed in a prior hour or hours, and upon such determination, Big Rivers may, in its sole discretion, after the fact implement a Permitted Curtailment of Block B Energy. However, in the event that a Permitted Curtailment is implemented after the fact with respect to any hour or hours, Big

Rivers may implement the Permitted Curtailment of Block B Energy only to the extent of the Net Resource Deficiency.

Section 6.04 Allocation of Energy Between Century and Alcan During a Permitted Curtailment. In the event of a Net Resource Deficiency during any hour, then the number of MWh to be delivered by Kenergy to Century under this Agreement at the Block B Base Rate shall be reduced based on the number of MWh of Net Resource Deficiency for that hour, multiplied by a factor the numerator of which is 63 and the denominator of which is 113. In the event the Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block B Energy (but not when such determination is made after the fact), the calculated amount of reduction of Block B Energy to be delivered at the Block B Base Rate shall be rounded up or down to the closest whole MWh.

Section 6.05 Block B Buy-Through Energy. In the event Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block B Energy, Supplier shall initiate the following procedures:

(a) Supplier shall undertake to send a Notice of Curtailment of at least thirty (30) minutes in advance to Kenergy and Century.

(b) A Notice of Curtailment may be made orally and followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be curtailed and the duration of such curtailment.

(c) In each Notice of Curtailment Supplier may, at its discretion (but without being required), offer an alternative price or prices per megawatt hour ("Block B Buy-Through Price") upon which Supplier would make the curtailed amount of Block B Energy available to Kenergy during the specified hour or hours of curtailment. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Curtailment to notify Supplier that it accepts the Block B Buy-Through

Price for the Block B Energy comprising all or any part of the designated curtailment ("Block B Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block B Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block B Buy-Through Price during this ten-minute period shall constitute a rejection of the Block B Buy-Through Price, and the curtailment shall thereafter be implemented in accordance with the Notice of Curtailment.

(d) Upon Kenergy's acceptance of the Block B Buy-Through Price for the Block B Buy-Through Energy, the obligation of Supplier to provide the Block B Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block B Buy-Through Price for such Block B Buy-Through Energy instead of the Block B Base Rate.

(e) During any period of curtailment, Supplier may notify Kenergy and Century of its willingness to terminate the curtailment and resume the delivery of Block B Energy under the Block B Base Rate. Upon notification from Supplier terminating the curtailment, Kenergy shall purchase and accept delivery of Block B Energy for resale to Century at the start of the hour following such notice. Supplier shall provide Kenergy and Century at least ten (10) minutes advance notice of the termination of an curtailment.

(f) In the event that after the fact and for any hour, a Permitted Curtailment is either implemented or increased from the amount specified in a prior Notice of Curtailment, the incremental amount of Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) so determined shall be priced by Big Rivers to Kenergy at the weighted average cost per MWh ("Block B Incremental Price") that Big Rivers incurred to acquire and supply the incremental amount of Buy-Through Energy sold to Kenergy for resale to both Century and Alcan during that hour.

Section 6.06 Service Obligation. Unless otherwise excused pursuant to Article XIV, in the event that Supplier fails to deliver the Block B Energy or Block B Buy-Through Energy, as applicable, to the Century Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonable manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VII: PURCHASE AND SALE OF BLOCK C ENERGY

Section 7.01 Block C Energy and Rate. During the Delivery Term , Supplier shall sell and deliver to Kenergy at the Century Point of Delivery and Kenergy shall purchase from Supplier and pay for a block of up to 15 MW of Energy around the clock (24 hours x 7 days), subject to scheduling requirements and the Supplier's right to fully interrupt pursuant to the terms and conditions set forth in Sections 7.02 and 7.03 ("Block C Energy"). The rate for Block C Energy for all hours of delivery shall be \$44.00 per MWh ("Block C Base Rate") unless modified by the Block C Buy-Through Price pursuant to Section 7.03. In the event but only in the event Block C Energy is acquired by Supplier from WKEC under the PPA, the Block C Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block C Energy is acquired by Supplier other than from WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 7.02 Block C Energy Scheduling. The provision of Block C Energy shall be subject to the following scheduling requirements:

- (a) Subject to Supplier's right to interrupt in accordance with Section 7.03, Kenergy may from time to time schedule Block C Energy by no later than 3:00 PM on the second Working Day prior to the day of the scheduled delivery (or such shorter period agreed to by Supplier) in one (1) megawatt increments up to fifteen (15) megawatts at the time(s) and for the duration(s) specified in the schedule;
- (b) Supplier shall be under no obligation to accept the schedule submitted by Kenergy and deliver the volume of Tier 3 Energy scheduled by Kenergy but shall be obligated, upon receipt of such schedule, to notify Kenergy and Century by 9:00 A.M. of the Working Day prior to the day of delivery of the number of

megawatts, if any, Supplier is willing to deliver and the hour and duration when the delivery shall take place (the "Response").

(c) Subject to Supplier's right to interrupt in accordance with Section 7.03, Supplier shall have the obligation to deliver the volume of Block C Energy at the time and for the duration so specified in the Response ("Block C Scheduled Energy").

Section 7.03 Block C Energy Interruption. The delivery of Block C Scheduled Energy may be interrupted by Supplier at any time upon the following terms and conditions:

(a) Supplier, in its sole discretion, may interrupt delivery of all or any portion of the Block C Scheduled Energy in any hour by sending a Notice of Interruption of at least thirty (30) minutes in advance to Kenergy and Century in which case Supplier shall have no obligation to supply the amount of Block C Scheduled Energy designated to be interrupted as set forth in the Notice of Interruption. Supplier's delivery obligation for each hour shall be firm if it does not give timely Notice of Interruption at least thirty (30) minutes in advance.

(b) A Notice of Interruption may be made orally and shall be followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be interrupted and the duration of such Interruption.

(c) Supplier is not limited in the number of times it may interrupt the delivery of Block C Scheduled Energy.

(d) In each Notice of Interruption Supplier may at its discretion (but without being required) offer an alternative price or prices per megawatt hour ("Block C Buy-Through Price") upon which Supplier would make the interrupted amount of Block C Scheduled Energy available to Kenergy during the specified hour or hours of Interruption. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Interruption to notify Supplier that it accepts the Block C Buy-Through Price for the Block C Scheduled Energy comprising all or any part of the designated Interruption ("Block C Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block C Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block C Buy-Through Price during this ten-minute period shall constitute a rejection of the Block C Buy-Through Price, and the Interruption shall thereafter be implemented in accordance with the Notice of Interruption.

(e) Upon Kenergy's acceptance of the Block C Buy-Through Price for the Block C Buy-Through Energy, the obligation of Supplier to provide the Block C Scheduled Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block C Buy-Through Price for all Block C Buy-Through Energy instead of the Block C Base Rate.

(f) During any period of Interruption, Supplier may notify Kenergy and Century of its willingness to terminate the Interruption and resume the delivery of Block C Scheduled Energy under the Block C Base Rate. Upon notification from Supplier terminating the Interruption, Kenergy shall purchase and accept delivery of Block C Scheduled Energy for resale to Century at the start of the hour following such notice. Supplier shall provide Kenergy and Century at least ten (10) minutes advance notice of the termination of an Interruption.

Section 7.04 Allocation of Block C Scheduled Energy. In the event that the aggregate amount of fully interruptible Tier 3 Energy scheduled by Century and Alcan during any hour exceeds the amount of Block C Energy available from Big Rivers at the Block C Base Rate during that hour, then the following agreements shall be in effect:

(a) an equal number of MW of Tier 3 Energy shall be made available at the Block C Base Rate to each of Century and Alcan, provided that the number of MW made available to either Century or Alcan shall be no greater than scheduled by Century and Alcan for that hour;

(b) any number of MW of Block C Energy available from Big Rivers at the Block C Base Rate in excess of the equal amounts set forth in subsection (a) above shall be available to the smelter submitting the greater schedule for such hour; and

(c) any number of MW of Block C Energy that Big Rivers does not make available to either Century or Alcan at the Block C Base Rate can be made available by Big Rivers at Block C Buy-Through Prices that may be separately determined for the remaining amount of fully interruptible Block C Energy scheduled by that smelter.

Section 7.05 Service Obligation. Unless otherwise excused pursuant to Article XIV or unless service of Block C Scheduled Energy is interrupted pursuant to Section 7.03, in the event that Supplier fails to deliver the Block C Scheduled Energy or Block C Buy-Through Energy to the Century Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonably

manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VIII: ADDITIONAL CHARGES

Section 8.01 Additional Charges. In addition to the rates and charges set forth in (i) Article V for Block A Energy and Block A Buy-Through Energy, (ii) Article VI for Block B Energy and Block B Buy-Through Energy and (iii) Article VII for Block C Scheduled Energy and Block C Buy-Through Energy, the Monthly Charge shall include and Kenergy shall pay to the Transmission Provider the following additional charges:

- (a) a separately calculated charge for network transmission services with respect to Block A Energy, Block A Buy-Through Energy, Block B Energy, Block B Buy-Through Energy, Block C Scheduled Energy and Block C Buy-Through Energy, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time; and
- (b) a separately calculated charge for ancillary services with respect to Block A Energy and Block B Energy (but only to the extent such Energy is not acquired from WKEC under the PPA), Block A Buy-Through Energy, Block B Buy-Through Energy and Block C Scheduled Energy (but only to the extent that such Energy is not acquired from WKEC under the PPA) and Block C Buy-Through Energy, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time; and
- (c) a separately calculated charge for excess reactive power demand, if any. The excess reactive power demand in each month shall be the positive difference, if any, between the metered reactive power demand and the sum of (i) 242,190 kilovars and (ii) the number of kilovars calculated by adding the amount of Block A Energy, Block B Energy and Block C Scheduled Energy (to the extent that such energy is acquired from WKEC under the PPA) and multiplying that total amount by 0.4843. The rate for excess reactive power demand shall be \$0.1433 per kilovar per month for up to 10,000 kilovars. If the excess reactive power demand in any month is greater than 10,000 kilovars, the provisions of Section 3.05 of Amendment No. 2 dated November 30, 2000, to the Century Power Agreement shall apply.

ARTICLE IX: BILLING

Section 9.01 Monthly Billing. Supplier shall bill Kenergy on a monthly basis for the Monthly Charge based on the Tier 3 Energy provided or made available under this Agreement during the most recently ended Billing Month. Supplier shall issue its bill as soon after the Billing Month's end as detailed information is available. Kenergy shall pay Supplier the Monthly Charge in immediately available funds on or before the first Working Day after the 24th of the month in which the bill is issued. To facilitate satisfaction of Kenergy's obligation to Supplier, Kenergy hereby assigns to Supplier all of its rights to collect and enforce collection of amounts due from Century with respect to the Tier 3 Energy and related transmission and ancillary services sold by Supplier under this Agreement. Supplier releases Kenergy from further liability under this Agreement for amounts subject to such assignment to Supplier, provided that such release does not relieve Kenergy of its other liabilities under this Agreement. Kenergy agrees to cooperate with and assist Supplier with respect to any collections of amounts due from Century to Kenergy which are assigned to Supplier pursuant to this section, provided that Supplier will reimburse Kenergy for any commercially reasonable expenses Kenergy incurs in providing such cooperation and assistance.

Section 9.02 Late Charge. In the event any bill rendered by Supplier is not paid on the due date, interest will accrue and become payable by Kenergy to Supplier on all unpaid amounts at a rate of 4 percentage points over the then-effective prime commercial lending rate per annum published in the Money Rates section of *The Wall Street Journal* commencing on the first Working Day after the due date. (Should *The Wall Street Journal* discontinue publication of the prime commercial

lending rate, the Parties shall agree on a mutually acceptable alternative source for that rate.)

Section 9.03 Disputed Billing. In the event any portion of any bill is disputed by Kenergy, the disputed amount shall be paid, under protest, when due. If the protested portion of the payment is found to be incorrect, Supplier shall promptly cause to be refunded to Kenergy (or to Century on behalf of Kenergy, as applicable) the amount that was not then due and payable, together with interest accrued on each calendar day from the date of payment by Kenergy to the date the refund is made. The same interest rate and computation method provided for in Section 9.02 shall be applied to the determination of interest due to Kenergy on the refund.

Section 9.04 Non-Waiver. No payment made by Kenergy (or Century) pursuant to this Article IX shall constitute a waiver of any right of Kenergy (or Century) to contest the correctness of any charge or credit.

ARTICLE X: BREACH AND DEFAULT

Section 10.01 Event of Default. The occurrence of any of the following events, unless otherwise excused pursuant to the terms of this Agreement, constitutes a breach by the relevant Party under this Agreement and if not curable or not cured within the applicable cure period (indicated in parenthesis) shall constitute a default:

- (a) Failure by a Party to make any payment as and when due hereunder (curable within 3 days following notice of default from the non-defaulting party to the defaulting party and Century);

- (b) Failure of a Party to perform any material duty imposed on it by this Agreement (curable within 30 days following notice of default from the nondefaulting party to the defaulting party and Century);
- (c) Any attempt by a Party to transfer an interest in this Agreement other than as permitted pursuant to Article XV of this Agreement (not curable);
- (d) Any filing of a petition in bankruptcy or insolvency, or for reorganization or arrangement under any bankruptcy or insolvency law, or voluntarily taking advantage of any such laws by answer or otherwise or the commencement of involuntary proceedings under any such laws by a Party (curable by withdrawing the petition or dismissing the proceeding within 30 days after filing).
- (e) Assignment by a Party for the benefit of creditors, other than as expressly provided herein (not curable);
- (f) Allowance by a Party of the appointment of a receiver or trustee of all or a material part of its property (curable by discharge of such receiver or trustee within 60 days after appointment).
- (g) Failure, inability or refusal of Kenergy to cure a breach or default by Kenergy under the Century Power Agreement which gives rise to a termination of that agreement, or any termination by Kenergy of the Century Power Agreement in breach or default thereof (not curable).

Section 10.02 Non-Waiver. The waiver by either Party of any breach of any term, covenant or condition contained herein shall not be deemed a waiver of any other term,

covenant or condition, nor shall it be deemed a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein.

ARTICLE XI: REMEDIES OF THE PARTIES

Section 11.01 Remedies, General: In the event of a default by either Party, the non-defaulting Party may, in its sole discretion, elect to terminate this Agreement upon written notice to the other Party, or to seek enforcement of its terms at law or in equity.

Section 11.02 Remedies Scope: Remedies provided in this Agreement are cumulative, unless specifically designated to be an exclusive remedy. Nothing contained in this Agreement shall be construed to abridge, limit, or deprive either Party of any means of enforcing any remedy either at law or in equity for the breach or default of any of the provisions herein provided that:

- (a) Neither Party is entitled to recover from the other Party any consequential, incidental or special damages including without limitation, lost profits; and
- (b) Kenergy's sole and exclusive right to damages or other relief for a failure by Supplier to deliver Tier 3 Energy as required by this Agreement shall be as set forth in Section 5.06 (Block A Energy), Section 6.06 (Block B Energy) and Section 7.05 (Block C Scheduled Energy).

ARTICLE XII: ADDITIONAL COVENANTS OF THE PARTIES

Section 12.01 General. Kenergy covenants that:

- (a) It will not intentionally take any action that would shorten the term of this

Agreement or otherwise adversely affect the economic value of this Agreement to Supplier or Century.

(b) It will not resell any Tier 3 Energy purchased from Supplier under this Agreement to any user other than Century and will require that any Tier 3 Energy that Kenergy purchases from Supplier under this Agreement and resells to Century must be consumed by Century for its Hawesville Facility except as expressly permitted with the written authorization of Supplier; provided, that in the event of an Uncontrollable Force that renders Century unable to receive and utilize power purchased by Kenergy from Supplier hereunder, Kenergy may take the action contemplated in Section 26.6 of the Century Power Agreement.

(c) It will not take any action or support any action by others that in any manner would impede Kenergy's ability to fulfill its obligations to Supplier under this Agreement;

(d) It will not waive compliance by Century with any of its obligations under the Century Power Agreement or fail to fully enforce the Century Power Agreement against Century in any manner that would adversely affect Kenergy's ability to fulfill its obligations under this Agreement; and

(e) It will not assign or transfer (by operation of law or otherwise) any rights or interests that it may have in the Century Power Agreement to any party without causing the transferee of the Century Power Agreement to assume and agree to perform all of Kenergy's obligations under this Agreement which arise following that assignment or transfer and without complying with Article XV.

Section 12.02 Supplier Audit. Kenergy will permit Supplier to audit, upon reasonable notice, at its own expense, at a mutually agreeable time, all information in the possession of Kenergy relating to its service to Century under the Century Power Agreement, including (for example, but not by way of limitation) scheduled usage, meter records and billing records and records related to power supplied hereunder as such records relate to a determination of the amount of Tier 3 Energy supplied by Supplier under this Agreement and delivered to or used by Century. Kenergy shall retain all documentation applicable to service to Century under the Century Power Agreement for a period of three years and consistent with the requirements of Section 25 of the Century Power Agreement.

Section 12.03 Kenergy Audit. Supplier will permit Kenergy to audit, upon reasonable notice, at its own expense, at a mutually agreeable time, all information in the possession of Supplier relating to its service to Kenergy under this Agreement, including (for example, but not by way of limitation) scheduled deliveries, meter records and billing records and records related to payments made by Century to Supplier pursuant to the assignment described in Section 9.01 of this Agreement and such other documents related to payment for and determination of the amount of Tier 3 Energy supplied by Supplier and delivered to Kenergy under this Agreement for resale and delivery to Century. Supplier shall retain all documentation applicable to service to Kenergy under this Agreement for a period of three years.

Section 12.04 Assurance. Supplier covenants that it will not take any action or support any action by others that in any manner would impede Supplier's ability to fulfill its obligations to Kenergy under this Agreement and will not intentionally take any

action that would diminish or otherwise adversely affect the economic value of this Agreement to Kenergy or Century.

Section 12.05 Joint Covenant for Benefit of Century. Kenergy and Supplier agree that the Alcan Agreement shall include the same provisions as are set forth in Section 5.04, Section 6.04 and Section 7.04 herein.

Section 12.06 Closing of Unwind Transaction. Coincident with closing of the Unwind Transaction prior to December 31, 2008 ("Unwind Transaction Closing Date"), the purchase obligation of Kenergy and the delivery obligation of Big Rivers with respect to all blocks of Tier 3 Energy provided for under this Agreement shall automatically terminate without further action of the Parties as of 11:59 PM of the Unwind Transaction Closing Date; provided, however, that Section 18.06 of this Agreement shall survive such termination and Kenergy shall remain responsible for billed and unbilled costs of Block A Energy, Block B Energy and Block C Energy (including charges set forth in Section 8.01) delivered or made available though the Unwind Transaction Closing Date.

ARTICLE XIII: DISPUTE RESOLUTION AND CHOICE OF LAW

Section 13.01 Dispute Resolution. Should any dispute arise between the Parties concerning the terms or conditions of this Agreement, the duties or obligations of the Parties under this Agreement, or the implementation, interpretation or breach of this Agreement, either Party may request in writing a meeting between an authorized representative of each of the Parties and Century to discuss and attempt to reach a

resolution of the dispute. Such meeting shall take place within ten (10) days (or such shorter or longer time as agreed upon by the Parties) of the request. Any resolution mutually agreed upon by the Parties shall be reduced to written form and signed by each Party and consented to by Century, and thereafter shall be binding upon each Party to this Agreement. Absent such resolution, the Parties shall be entitled to pursue all rights and remedies that they may have at law, in equity or pursuant to this Agreement (subject to the limitations set forth in the Agreement) to resolve that dispute. Notwithstanding the provisions of this Section 13.01, each Party will at all times be free to seek injunctive relief, where its delay in doing so could result in irreparable injury.

Section 13.02 Controlling Law. This Agreement shall be interpreted, governed by and construed under the laws of the Commonwealth of Kentucky, without regard to its *conflicts of laws rules*.

Section 13.03 Venue. The Parties hereby agree that the Courts of the Commonwealth of Kentucky will have exclusive jurisdiction over each and every judicial action brought under this Agreement to enforce this Agreement or for breach of this Agreement, provided that the subject matter of such dispute is not a matter reserved by law to the U.S. federal judicial system, to the FERC or to the KPSC, and provided further that the Parties are not precluded from filing actions in or removing actions to a federal district court under such court's diversity of citizenship jurisdiction. In any such federal district court action, venue shall lie with the U.S. District Court for the Western District of Kentucky. The Parties hereby agree to submit to the jurisdiction of such courts for such purposes.

Nothing in this paragraph prohibits a Party from referring to the FERC or to the KPSC any matter properly within its jurisdiction.

ARTICLE XIV: UNCONTROLLABLE FORCES

Section 14.01 Application. No Party shall be considered to be in breach or default in the performance of any of its obligations under this Agreement when a failure of performance is due to an Uncontrollable Force, except as enumerated in this Article XIV. The Party claiming failure or inability to perform shall promptly contact the other Party and Century and provide written notice that an Uncontrollable Force has caused failure of performance. In the event either Party shall be unable, in whole or in part, by reason of Uncontrollable Force to carry out its obligations, then the obligations of the Parties (other than obligations to make payments then due or becoming due with respect to performance prior to such period), to the extent that they are affected by such Uncontrollable Force, shall be suspended during the continuance of any inability so caused, but for no longer period. A Party shall not be relieved of liability for failing to perform if such failure is due to causes arising out of its own negligence or willful acts or omissions, or to removable or remediable causes which it fails to remove or remedy with reasonable dispatch.

Section 14.02 Obligation to Mitigate. Either Party rendered unable to fulfill any obligation by reason of an Uncontrollable Force shall exercise due diligence to remove or remedy such inability with all reasonable dispatch.

Section 14.03 Notification. Kenergy and Supplier agree to notify the other Party and Century at the earliest practicable time following (i) the occurrence of any Uncontrollable Force which renders such Party incapable of performing hereunder, or (ii) the time at which such Party has reason to expect that such an Uncontrollable Force is imminent. Kenergy also agrees to so notify Supplier in the event that Kenergy receives notice from Century that such entity anticipates that it will be unable to perform its obligations to Kenergy (under any contract or agreement that affects Kenergy's performance under this Agreement) due to an Uncontrollable Force.

Section 14.04 Labor Dispute. Nothing contained herein shall be construed to require a Party to prevent or to settle a labor dispute against its will.

ARTICLE XV: SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. No interest in this Agreement may be transferred or assigned by either Party, in whole or in part, by instrument or operation of law, without the prior written consent of the other Party, except that (a) assignment may be made by either Party without the consent of the other Party to such person or entity as acquires all or substantially all the assets of the assigning Party or which merges with or acquires all or substantially all of the stock or other ownership interest of such Party, and (b) Supplier may assign or delegate all or any portion of its rights or obligations under this Agreement to any affiliate or entity controlled by Supplier or to the Rural Utilities Services (or other mortgagee or other secured party as security for indebtedness

incurred by Supplier), or any successor thereto, without the prior consent of Kenergy. When consent is required, consent shall not be unreasonably withheld, conditioned or delayed. In no event shall either Party assign this Agreement to any third party that does not have adequate financial capacity or that would otherwise be unable to perform the obligations of the assigning Party pursuant to this Agreement, nor shall either Party assign this Agreement on any terms at variance from those set forth in this Agreement except as agreed to in writing by the Parties. No permitted assignment or transfer shall change the duties of the Parties, or impair the performance under this Agreement except to the extent set forth in such permitted assignment and approved in writing by the Parties and Century. No Party is released from its obligations under this Agreement pursuant to any assignment, unless such release is granted in writing.

ARTICLE XVI: REPRESENTATIONS AND WARRANTIES:

Section 16.01 Kenergy Representations and Warranties. Kenergy hereby represents and warrants to Supplier as follows:

- (a) Kenergy is an electric cooperative corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky, and has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to carry on its business as such business is now being conducted and as is contemplated hereunder to be conducted during the term hereof.

(b) The execution, delivery and performance of this Agreement by Kenergy have been duly and effectively authorized by all requisite corporate action.

(c) Without further investigation, Supplier can rely upon any scheduling or other written notice from Kenergy.

(d) Kenergy has reserved network transmission service pursuant to Big Rivers' Open Access Transmission Tariff as reasonably required for Big Rivers to deliver to Kenergy and for Kenergy to deliver to Century the three blocks of Tier 3 Energy purchased by Kenergy from Supplier pursuant to this Agreement.

Section 16.02 Supplier Representations and Warranties. Supplier hereby represents and warrants to Kenergy as follows:

(a) Supplier is a corporation duly organized and validly existing and in good standing under the laws of the Commonwealth of Kentucky and has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to carry on its business as it is now being conducted and as it is contemplated hereunder to be conducted during the term hereof.

(b) The execution, delivery and performance of this Agreement by Supplier have been duly and effectively authorized by all requisite corporate action.

(c) Without further investigation, Kenergy can rely upon any written notice from Supplier.

(d) The PPA is in full force and effect and Supplier has neither received nor submitted a Notice of Default.

ARTICLE XVII: AMENDMENTS

Section 17.01 Writing Required. This Agreement may be amended, revised or modified by, and only by, a written instrument duly executed by both Parties with the written consent of Century.

Section 17.02 Waiver. The rates provided for in Sections 5.01, 6.01 and 7.01 of this Agreement shall not be subject to change through application to the FERC pursuant to the provisions of Section 205 of the Federal Power Act absent the agreement of each of the Parties to this Agreement. Accordingly, neither Party shall petition FERC or any other governmental agency pursuant to the provisions of Section 205 or 206 of the Federal Power Act or any other provision of law to amend the rates contained in Sections 5.01, 6.01 and 7.01 of this Agreement absent the agreement in writing of the other Party nor shall any Party cooperate with any other person(s), or request or encourage any other person(s) to make such petition; and each Party further agrees to oppose any action to change such rates, including but not limited to pursuing appeals of any order or decision directing such change, and to bear all of its own costs of such opposition including attorneys' fees. Big Rivers' transmission rates, methodologies and formulae are subject to change, but nothing in this Agreement limits the right of any Party to challenge any aspect of the Transmission Provider's Open Access Transmission Tariff, including the applicable loss factor, the transmission service rates or any other transmission or ancillary service issue presented to FERC.

ARTICLE XVIII: GENERAL

Section 18.01 Good Faith Efforts: The Parties agree that each shall in good faith take all reasonable actions within their reasonable control as are necessary to permit the other Party to fulfill its obligations under this Agreement; provided, that no Party shall be obligated to expend money or incur material economic loss in order to facilitate performance by the other Party. Where the consent, agreement, or approval of either Party must be obtained hereunder, such consent, agreement or approval shall not be unreasonably withheld, conditioned, or delayed. Where either Party is required or permitted to act or fail to act based upon its opinion or judgment, such opinion or judgment shall not be unreasonably exercised. Where notice to the other Party is required to be given herein, and no notice period is specified, such notice will be given as far in advance as is reasonably practical.

Section 18.02 Information Exchange: The Parties shall cooperate in the exchange of information between themselves in order to further the purposes of this Agreement, to verify compliance with the terms of this Agreement and to keep each other fully informed of facts which could constitute a material change in any of the business or financial relationships contemplated by this Agreement.

Section 18.03 Notices: Except as herein otherwise expressly provided, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person or by any qualified and recognized delivery service, or sent by United States mail postage prepaid to the persons specified below unless otherwise provided for in this Agreement.

To Supplier:

Big Rivers Electric Corporation
201 Third Street
P.O. Box 24
Henderson, Ky. 42419
Attn: C. William Blackburn, Vice President, Power Supply
Facsimile No.: (270) 827-2101

To Kenergy:

Kenergy Corp.
P.O. Box 18
6402 Old Corydon Road
Henderson, KY 42419
Attention: President/CEO
Facsimile: (270) 826-3999

To Century:

Century Aluminum of Kentucky General Partnership
P.O. Box 500
State Route 271 North
Hawesville, Kentucky 42348
Attention: Plant Manager
Facsimile: (270) 927-8888

Either Party may at any time, by written notice to the other Party, change the designation or address of the person specified to receive notices pursuant to this Agreement.

Section 18.04 Severability: If any clause, sentence, paragraph or part of this Agreement should for any reason be finally adjudged by any court of competent jurisdiction to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remainder of this Agreement but shall be confined in its operation to the clause, sentence, paragraph or any part thereof directly involved in the controversy in which the judgment is rendered, unless the loss or failure of such clause, sentence, paragraph or part of this Agreement shall materially adversely affect the benefit of the bargain to be received by either or both of the Parties, in which event the

Parties shall promptly meet and use their good faith best efforts to renegotiate this Agreement in such a fashion as will restore the relative rights and benefits of both Parties.

Section 18.05 Singular and Plural References: Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number and vice versa.

Section 18.06 Survival of Remedies. Each provision of this Agreement providing for payment for Tier 3 Energy delivered or made available or related to remedies for default, damage claims, indemnification or payment of other liabilities will survive the termination of this Agreement to the full extent necessary for their enforcement and the protection of the Party in whose favor they run.

Section 18.07 Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties hereto with respect to the subject matter addressed herein.

Section 18.08 Patronage-Based Service. The Parties agree that, for purposes of this Agreement, Kenergy is doing business with Supplier on a patronage basis in accordance with the provisions of the Articles of Incorporation and Bylaws of Supplier that may be in effect from time to time.

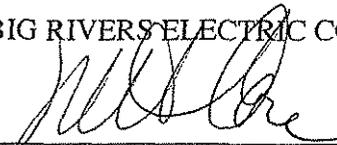
IN WITNESS WHEREOF, this Agreement is hereby executed as of the day and year first
above written.

KENERGY CORP.



By: Sanford Novick
Title: President and CEO

BIG RIVERS ELECTRIC CORPORATION



By: Michael H. Core
Title: President and CEO

CONSENT

Century Aluminum of Kentucky General Partnership ("Century") hereby agrees with Kenergy Corp. ("Kenergy") and Big Rivers Electric Corporation ("Big Rivers") that Century has reviewed the Agreement for Tier 3 Energy dated November 29, 2007 ("Tier 3 Agreement") for delivery of Tier 3 Energy in year 2008 and hereby consents to the execution, delivery and performance of the Tier 3 Agreement by Kenergy and Big Rivers for all purposes.

Dated: November 29, 2007

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: METALSCO, LLC, General Partner

By: 

Peter C. McGuire
Vice President

REQUEST FOR POWER

Century Aluminum of Kentucky General Partnership ("Century") hereby requests Kenergy Corp. ("Kenergy") to purchase the following volumes of Tier 3 Energy from Big Rivers Electric Corporation ("Big Rivers") in accordance with the rates, terms and conditions set forth in the Agreement for Tier 3 Energy dated November 29, 2007, between Kenergy and Big Rivers (the "Tier 3 Agreement"):

Block A Energy- a block of 63 MW of System Firm Tier 3 Energy for delivery in On-Peak hours in year 2008, as set forth in Article V of the Tier 3 Agreement;

Block B Energy - a block of 63 MW of System Firm Tier 3 Energy for delivery in Wrap hours (as defined in the Tier 3 Agreement) in year 2008, as set forth in Article VI of the Tier 3 Agreement; and

Block C Energy – a block of up to 15 MW of fully interruptible Tier 3 Energy for delivery in year 2008, as set forth in Article VII of the Tier 3 Agreement.

In consideration thereof, Century agrees to purchase from Kenergy at retail the delivered amounts of such Tier 3 Energy on the same terms and conditions and at the same rates contained in the Tier 3 Agreement plus the applicable distribution fee included in Kenergy's smelter tariff plus charges for transmission and ancillary services, if any, with respect such Tier 3 Energy.

The terms and conditions of the Agreement for Electric Service between Kenergy and Century dated July 15, 1998 (the "Century Power Agreement") are, to the extent applicable, incorporated herein by reference.

This the 29th day of November, 2007.

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: METALSCO, LLC, General Partner

By: 
Peter C. McGuire
Vice President

DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

JOHN DORSEY (1920-1986)
FRANK N. KING, JR.
STEPHEN D. GRAY
WILLIAM B. NORMENT, JR.
J. CHRISTOPHER HOPGOOD
S. MADISON GRAY

TELEPHONE
(270) 826-3965
TELEFAX
(270) 826-6672
www.dkgnlaw.com

December 3, 2007

FEDEX

RECEIVED

DEC 04 2007

PUBLIC SERVICE
COMMISSION

Ms. Elizabeth O'Donnell
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Re: Kenergy Corp.
2008 TIER 3 Energy for Alcan Primary Products
Corporation
Wholesale Supplier: Big Rivers
Electric Corporation

Dear Ms. O'Donnell:

Kenergy Corp. ("Kenergy") requests the Commission's acceptance of a special retail contact regarding the above.

At the request of Alcan Primary Products Corporation ("Alcan") Kenergy has entered into a wholesale agreement with Big Rivers Electric Corporation ("Big Rivers") for the purchase of energy to be sold retail to Alcan commencing January 1, 2008. Enclosed please find the executed original and one copy of Request for Power, Agreement for Tier 3 Energy, and Consent. These three (3) documents comprise the special retail contract that Kenergy requests the Commission to accept.

Additionally, the Commission is requested to issue a separate acceptance letter regarding the Agreement for Tier 3 Energy between Big Rivers and Kenergy, which is the wholesale contract for this transaction.

Page Two
December 3, 2007

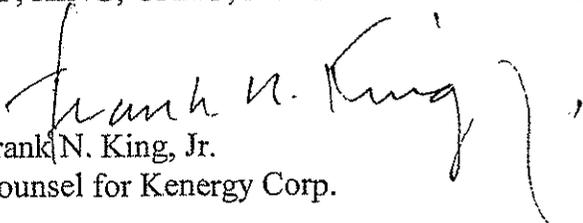
In light of the January 1, 2008, effective date for this transaction Kenergy respectfully requests that the notice period be shortened to 20 days.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Kenergy Corp.

FNKJr/cds

Encls.

COPY/w/encls. (including remaining transaction documents):

Mr. David Brown
Mr. James Miller
Mr. David Hamilton
Mr. David Spainhoward

AGREEMENT FOR TIER 3 ENERGY

by and between

KENERGY CORP.

and

BIG RIVERS ELECTRIC CORPORATION

(ALCAN)

November 29, 2007

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AGREEMENT FOR TIER 3 ENERGY
BETWEEN
KENERGY CORP.
AND
BIG RIVERS ELECTRIC CORPORATION
(ALCAN)

ARTICLE I: PARTIES

The Parties to this Agreement, dated as of this 29th day of November, 2007 are KENERGY CORP., a Kentucky corporation organized under KRS Chapter 279 ("Kenergy") and BIG RIVERS ELECTRIC CORPORATION, a Kentucky corporation ("Supplier" or "Big Rivers"). Kenergy and Supplier are each referred to individually as a "Party" and collectively as "Parties." It is recognized by the Parties that Alcan Primary Products Corporation ("Alcan") is a third-party beneficiary under this Agreement. Pursuant to the attached Form of Consent, Alcan consents to this Agreement.

ARTICLE II: RECITALS

Section 2.01 Supplier is engaged in the business of selling electric power at wholesale.

Section 2.02 Kenergy is an electric cooperative that provides electric energy at retail to Alcan pursuant to an agreement entitled "Agreement for Electric Service" between Kenergy and Alcan dated July 15, 1998 (the "Alcan Power Agreement").

Section 2.03 Alcan owns and operates an aluminum reduction plant in Sebree, Henderson County, Kentucky (the "Sebree Facility").

Section 2.04 Pursuant to Section 9.2 of the Alcan Power Agreement and upon the request of Alcan, Kenergy shall contract with one or more third party suppliers for certain

quantities of energy denominated as "Tier 3 Energy" at prices, terms and conditions that respond to Alcan's requirements.

Section 2.05 Alcan has made a request for certain volumes of Tier 3 Energy, and Kenergy therefore desires to enter into an agreement with Supplier to purchase for resale to Alcan, and Supplier desires to enter into an agreement with Kenergy to sell to Kenergy, the following blocks of Tier 3 Energy:

Block A – a block of 50 MW of System Firm Tier 3 Energy for delivery in On-Peak Hours in year 2008, as set forth in Article V of this Agreement ("Block A Energy");

Block B – a block of 50 MW of System Firm Tier 3 Energy for delivery in Wrap Hours in year 2008, as set forth in Article VI of this Agreement ("Block B Energy");

Block C – a block of up to 15 MW of fully interruptible Tier 3 Energy subject to scheduling requirements and as otherwise set forth in Article VII of this Agreement ("Block C Energy").

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the Parties agree as follows.

ARTICLE III: DEFINITIONS:

The following terms, when used in this Agreement with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

Section 3.01 Agreement: This Agreement together with any amendment to which the Parties may agree in writing from time to time and is consented to by Alcan.

Section 3.02 Alcan: Alcan Primary Products Corporation, a Texas corporation, its successors and assigns.

Section 3.03 Alcan Power Agreement: as defined in Section 2.02.

- Section 3.04 A.M.: A.M., Central Standard Time or Central Daylight Time, as applicable.
- Section 3.05 Big Rivers: Big Rivers Electric Corporation, its successors and assigns.
- Section 3.06 Big Rivers Resources: The sum of (1) the maximum amount of Energy that Supplier has the contractual right to purchase from WKEC under the PPA, and (2) the amount of Energy that Supplier purchases, at any given time and from time to time in its sole discretion, from SEPA under a contract between Supplier and SEPA (Contract No. 89-00-1501-637), as amended.
- Section 3.07 Billing Month: Each calendar month during the term of this Agreement in which Tier 3 Energy is provided to Kenergy by Supplier under this Agreement.
- Section 3.08 Block A Base Rate: As defined in Section 5.01.
- Section 3.09 Block A Energy: The 50 MW of System Firm Tier 3 Energy to be delivered, as set forth in Section 5.01, subject to Supplier's right to make Permitted Curtailments.
- Section 3.10 Block A Buy-Through Energy: Block A Energy that Supplier may provide at the Block A Buy-Through Price pursuant to Section 5.05(c) or at the Block A Incremental Price pursuant to Section 5.05(f).
- Section 3.11 Block A Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 5.05(c), as an alternative to a Permitted Curtailment.
- Section 3.12 Block A Incremental Price: The price per megawatt hour that Kenergy shall pay to Supplier pursuant to Section 5.05(f) for the incremental amount of Block A

Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) that was determined after the fact to have existed in any hour.

Section 3.13 Block A Notice of Curtailment: The notice that Supplier undertakes to send, when feasible, to Kenergy and Alcan pursuant to Section 5.05, defining the volume and duration of any Permitted Curtailment.

Section 3.14 Block B Base Rate: As defined in Section 6.01.

Section 3.15 Block B Energy: The 50 MW of System Firm Tier 3 Energy to be delivered, as set forth in Section 6.01, subject to Supplier's right to make Permitted Curtailments.

Section 3.16 Block B Buy-Through Energy: Block B Energy that Supplier may provide at the Block B Buy-Through Price pursuant to Section 6.05(c) or at the Block B Incremental Price pursuant to Section 6.05(f).

Section 3.17 Block B Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 6.05(c), as an alternative to a Permitted Curtailment.

Section 3.18 Block B Incremental Price: The price per megawatt hour that Kenergy shall pay to Supplier pursuant to Section 6.05(f) for the incremental amount of Block B Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) that was determined after the fact to have existed in any hour.

Section 3.19 Block B Notice of Curtailment: The notice that Supplier undertakes to send, when feasible, to Kenergy and Alcan pursuant to Section 6.05, defining the volume and duration of any Permitted Curtailment.

- Section 3.20 Block C Base Rate: As defined in Section 7.01.
- Section 3.21 Block C Energy: Up to 15 MW of Tier 3 Energy to be delivered, subject to scheduling requirements and Supplier's right of interruption, as set forth in Sections 7.01, 7.02 and 7.03 herein.
- Section 3.22 Block C Buy-Through Energy: Block C Energy that Supplier may be obligated to provide at the Block C Buy-Through Price pursuant to Section 7.03.
- Section 3.23 Block C Buy-Through Price: The price per megawatt hour that Kenergy may elect to pay to Supplier pursuant to Section 7.03, as an alternative to an Interruption.
- Section 3.24 Block C Notice of Interruption: The notice sent by Supplier to Kenergy and Alcan pursuant to Section 7.03, defining the volume and duration of an Interruption.
- Section 3.25 Block C Scheduled Energy: Block C Energy that has been scheduled in accordance with Section 7.02.
- Section 3.26 Century: Century Aluminum of Kentucky General Partnership, its successors and assigns.
- Section 3.27 Century Agreement: The Agreement for Tier 3 Energy between Big Rivers and Kenergy dated November 29, 2007, for the benefit of Century and providing for the sale and delivery of certain volumes of Tier 3 Energy in 2008 on substantially the same terms and conditions as are applicable to Block A Energy, Block B Energy and Block C Energy as set forth in this Agreement.

- Section 3.28 Century Power Agreement: The Agreement for Electric Service between Kenergy and Century dated July 15, 1998, as amended.
- Section 3.29 Delivery Term: As defined in Section 4.05.
- Section 3.30 Effective Date: The date specified in Section 4.01.
- Section 3.31 Energy: The flow of electricity denominated in kilowatt-hours or megawatt-hours.
- Section 3.32 FERC: The Federal Energy Regulatory Commission or any successor agency.
- Section 3.33 Firm L.D.: *Financially firm power with liquidated damages.*
- Section 3.34 Interruption: The interruption by Supplier of the delivery of Block C Energy pursuant to the provisions of Section 7.03.
- Section 3.35 Kenergy: Kenergy Corp., its successors or assigns.
- Section 3.36 KPSC: The Kentucky Public Service Commission or any successor agency.
- Section 3.37 Member Cooperatives: Kenergy Corp., Meade County Rural Electric Cooperative Corporation and Jackson Purchase Energy Corporation.
- Section 3.38 Monthly Charge: The total charge in each Billing Month for Tier 3 Energy delivered or made available under this Agreement (including the charges set forth in Section 8.01) and computed in accordance with this Agreement.
- Section 3.39 NERC Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
- Section 3.40 Net Resource Deficiency: The circumstances whereby, in any hour of the Delivery Term, the amount of the Big Rivers Resources less Priority System Sales

is insufficient, in whole or in part, to satisfy Big Rivers' delivery obligations of Block A Energy or Block B Energy to Kenergy for the benefit of both Alcan and Century under this Agreement and the Century Agreement, respectively.

Section 3.41 On-Peak Hours: The sixteen hour period beginning at 6:00 A.M. and ending at 10:00 P.M., on Mondays through Fridays of each week, but excluding NERC Holidays.

Section 3.42 Open Access Transmission Tariff (OATT): Any transmission tariff approved by FERC following filing by a public utility pursuant to 18 C.F.R. § 35.28(c) or approved by FERC as constituting reciprocal transmission service following a submittal by a non-public utility pursuant to 18 C.F.R. § 35.28(e).

Section 3.43 P.M.: Means P.M., Central Standard Time or Central Daylight Time, as applicable.

Section 3.44 Permitted Curtailment: The right of Supplier, as set forth in Section 5.03 and Section 6.03, to curtail, or deem after the fact as curtailed, the delivery of Block A Energy or Block B Energy in any hour when a Net Resource Deficiency exists but only to the extent a Net Resource Deficiency exists; provided, however, that Big Rivers may in its sole discretion elect not to implement a Permitted Curtailment during a Net Resource Deficiency.

Section 3.45 Point of Delivery: Alcan Point of Delivery – The existing set of meters at the Reid Substation or such other point of delivery to which the parties mutually agree.

Section 3.46 PPA: The Power Purchase Agreement dated July 15, 1998 between Big Rivers and LG&E Energy Marketing Inc., as amended, subsequently assigned to WKEC by Assignment and Assumption Agreement dated April 30, 2006.

Section 3.47 Priority System Sales: The amount of Energy, in any hour, that Big Rivers sells (a) to its Member Cooperatives (exclusive of sales of Tier 3 Energy to Kenergy under this Agreement and the Century Agreement) and (b) to any other third party purchaser during the months of January, February, March, April, May, September, October, November and December, provided however, that such sales under this Section 3.47 may not exceed 51 MW in any hour.

Section 3.48 Prudent Utility Practice: Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period; or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

Section 3.49 Sebree Facility: The aluminum reduction plant located in Henderson County, Kentucky, and any expansions, additions, improvements and replacements thereof or thereto at the existing site.

Section 3.50 SEPA: Southeastern Power Administration, a governmental agency, its successors and assigns.

- Section 3.51 Supplier: Big Rivers Electric Corporation, its successors and assigns.
- Section 3.52 System Energy Loss Factor. The percentage of Energy losses incurred on the transmission system of the Transmission Provider, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time.
- Section 3.53 System Firm: Block A Energy or Block B Energy that Big Rivers is required to sell and deliver in any hour to Kenergy pursuant to this Agreement to the extent that Big Rivers does not implement a Permitted Curtailment.
- Section 3.54 Transmission Provider: Big Rivers Electric Corporation, its successors or assigns, in its capacity as provider of transmission and ancillary services within the Big Rivers control area.
- Section 3.55 Uncontrollable Force: Any cause beyond the control of the Party unable, in whole or in part, to perform its obligations under this Agreement which, despite exercise of due diligence and foresight, such Party could not reasonably have been expected to avoid and which, despite the exercise of due diligence, it has been unable to overcome. Such causes include, but are not limited to: acts of God; strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of the Government, whether Federal, State or local, civil or military, civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, inability of either Party hereto to obtain necessary materials, supplies or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities, whether Federal, State or local, civil

or military, and any other forces which are not reasonably within the control of the Party claiming suspension. A forced outage of a generating unit or units is not an Uncontrollable Force unless it prevents the physical delivery of power to Kenergy for resale to Alcan. Uncontrollable Force shall not include Alcan's inability to economically use the Tier 3 Energy or market conditions relating to Alcan's business or the products produced at the Sebree Facility.

Section 3.56 Unwind Transaction: Any transaction under which (i) Big Rivers acquires the right to all the power from the Big Rivers generating units and (ii) the Alcan Power Agreement and the Century Power Agreement are terminated.

Section 3.57 Unwind Transaction Closing Date: As defined in Section 12.06.

Section 3.58 WKEC: Western Kentucky Energy Corp., a Kentucky corporation and wholly owned subsidiary of E.ON, U.S.

Section 3.59 Working Days: Mondays through Fridays of each week except NERC Holidays.

Section 3.60 Wrap Hours: The eight hour period beginning at midnight and ending at 6:00 A.M. and beginning at 10:00 P.M. and ending at midnight every day of each week.

ARTICLE IV: EFFECTIVE DATE, INITIAL CONDITIONS AND TERMS

Section 4.01 Term. This Agreement shall become effective on the date it is executed and delivered by the Parties. The term with respect to the delivery and purchase obligations of all Tier 3 Energy to be sold and delivered under this Agreement shall be as set forth in Section 4.05. Unless earlier terminated by either Party

pursuant to Section 4.04 (failure of KPSC initial approval), Section 10.01 (default) or by mutual agreement of the Parties, this Agreement shall terminate with the expiration of the Delivery Term.

Section 4.02 Condition to Purchase and Delivery Obligations. Notwithstanding the Effective Date of this Agreement, the delivery obligations of Supplier and the purchase obligations of Kenergy for all Tier 3 Energy pursuant to Articles V, VI and VII are subject to the condition that the Parties have received all regulatory and other approvals, permits and consents necessary for the purchase and sale of Tier 3 Energy under this Agreement, and any amendment thereto, and the resale of the Tier 3 Energy by Kenergy to Alcan.

Section 4.03 Notice of Condition Satisfaction. As soon as the condition set forth in Section 4.02 has been satisfied, Kenergy shall promptly provide written notice to Alcan and Supplier that the condition has been satisfied. Unless waived by Supplier in writing, the condition contained in Section 4.02 shall not be deemed satisfied until Supplier has received such notice.

Section 4.04 Cooperation. Each Party agrees to use reasonable diligence to satisfy the condition described in Section 4.02. If the condition has not been satisfied by December 31, 2007 with respect to either Block A Energy, Block B Energy or Block C Energy, either Party, upon written notice to the other Party, may terminate that portion of the Agreement relating to such block(s) of Tier 3 Energy.

Section 4.05 Term. The delivery obligation of Supplier and the purchase obligation of Kenergy with respect to Block A Energy, Block B Energy and Block C Energy shall commence at 12:00 AM on January 1, 2008 and terminate at midnight on

December 31, 2008 (the "Delivery Term"), unless terminated pursuant to Section 12.06.

ARTICLE V: PURCHASE AND SALE OF BLOCK A ENERGY

Section 5.01 Block A Energy and Rate. During the Delivery Term, Supplier shall sell and deliver to Kenergy at the Alcan Point of Delivery, subject to Permitted Curtailments, and Kenergy shall purchase from Supplier and pay for a block of 50 MW of Energy during all On-Peak Hours ("Block A Energy"). The rate for Block A Energy for all hours of delivery shall be \$66.76 per MWh ("Block A Base Rate"). In the event but only in the event Block A Energy is acquired by Supplier from WKEC under the PPA, the Block A Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block A Energy is acquired by Supplier other than from WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 5.02 Rates Not Subject To Change. Except as set forth in Section 5.05, the rate for Block A Energy is not subject to change over the Delivery Term. Kenergy shall purchase, accept delivery and pay for the full amount of the Block A Energy made available by Supplier. If Kenergy or Alcan does not accept delivery of the full amount of such Energy, the Monthly Charge shall include the amount that would have been due had the full amount of such Energy been accepted.

Section 5.03 Permitted Curtailment. Supplier shall be obligated to sell and deliver Block A Energy on a Firm L.D. basis in every hour during the Delivery Period except to

the extent that Big Rivers has implemented a Permitted Curtailment. With respect to any hour when a Net Resource Deficiency is determined to exist or to have existed, Big Rivers may in its sole discretion (i) implement a full or partial Permitted Curtailment of Block A Energy or (ii) decline to implement a Permitted Curtailment. Big Rivers may after the fact determine in good faith that a Net Resource Deficiency existed in a prior hour or hours, and upon such determination, Big Rivers may, in its sole discretion, after the fact implement a Permitted Curtailment of Block A Energy. However, in the event that a Permitted Curtailment is implemented after the fact with respect to any hour or hours, Big Rivers may implement the Permitted Curtailment of Block A Energy only to the extent of the Net Resource Deficiency.

Section 5.04 Allocation of Energy Between Alcan and Century During a Permitted Curtailment. In the event of a Net Resource Deficiency during any hour, then the number of MWh to be delivered by Kenergy to Alcan under this Agreement at the Block A Base Rate shall be reduced based on the number of MWh of Net Resource Deficiency for that hour, multiplied by a factor the numerator of which is 50 and the denominator of which is 113. In the event the Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block A Energy (but not when such determination is made after the fact), the calculated amount of reduction of Block A Energy to be delivered at the Block A Base Rate shall be rounded up or down to the closest whole MWh.

Section 5.05 Block A Buy-Through Energy. In the event Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block A Energy, Supplier shall initiate the following procedures:

(a) Supplier shall undertake to send a Notice of Curtailment of at least thirty (30) minutes in advance to Kenergy and Alcan.

(b) A Notice of Curtailment may be made orally and followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be curtailed and the duration of such curtailment.

(c) In each Notice of Curtailment Supplier may, at its discretion (but without being required), offer an alternative price or prices per megawatt hour ("Block A Buy-Through Price") upon which Supplier would make the curtailed amount of Block A Energy available to Kenergy during the specified hour or hours of curtailment. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Curtailment to notify Supplier that it accepts the Block A Buy-Through Price for the Block A Energy comprising all or any part of the designated curtailment ("Block A Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block A Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block A Buy-Through Price during this ten-minute period shall constitute a rejection of the Block A Buy-Through Price, and the curtailment shall thereafter be implemented in accordance with the Notice of Curtailment.

(d) Upon Kenergy's acceptance of the Block A Buy-Through Price for the Block A Buy-Through Energy, the obligation of Supplier to provide the Block A Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block A Buy-Through Price for such Block A Buy-Through Energy instead of the Block A Base Rate.

(e) During any period of curtailment, Supplier may notify Kenergy and Alcan of its willingness to terminate the curtailment and resume the delivery of Block A Energy under the Block A Base Rate. Upon notification from Supplier terminating the curtailment, Kenergy shall purchase and accept delivery of Block A Energy for resale to Alcan at the start of the hour following such notice. Supplier shall provide Kenergy and Alcan at least ten (10) minutes advance notice of the termination of an curtailment.

(f) In the event that after the fact and for any hour, a Permitted Curtailment is either implemented or is increased from the amount specified in a prior Notice of Curtailment, the incremental amount of Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) so determined shall be priced by Big Rivers to Kenergy at the weighted average cost per MWh ("Block A Incremental Price") that Big Rivers incurred to acquire and supply the incremental amount of Buy-Through Energy sold to Kenergy for resale to both Alcan and Century during that hour.

Section 5.06 Service Obligation. Unless otherwise excused pursuant to Article XIV, in the event that Supplier fails to deliver the Block A Energy or Block A Buy-Through Energy, as applicable, to the Alcan Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonable manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VI: PURCHASE AND SALE OF BLOCK B ENERGY

Section 6.01 Block B Energy and Rate. During the Delivery Term, Supplier shall sell and deliver to Kenergy at the Alcan Point of Delivery, subject to Permitted Curtailments, and Kenergy shall purchase from Supplier and pay for a block of 50 MW of Energy during all Wrap Hours ("Block B Energy"). The rate for Block B Energy for all hours of delivery shall be \$26.01 per MWh ("Block B Base Rate"). In the event but only in the event Block B Energy is acquired by Supplier from WKEC under the PPA, the Block B Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block B Energy is acquired by Supplier other than from

WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 6.02 Rates Not Subject To Change. Except as set forth in Section 6.05, the rate for Block B Energy is not subject to change over the Delivery Term. Kenergy shall purchase, accept delivery and pay for the full amount of the Block B Energy made available by Supplier. If Kenergy or Alcan does not accept delivery of the full amount of such Energy, the Monthly Charge shall include the amount that would have been due had the full amount of such Energy been accepted.

Section 6.03 Permitted Curtailment. Supplier shall be obligated to sell and deliver Block B Energy on a Firm L.D. basis in every hour during the Delivery Period except to the extent that Big Rivers has implemented a Permitted Curtailment. With respect to any hour when a Net Resource Deficiency is determined to exist or to have existed, Big Rivers may in its sole discretion (i) implement a full or partial Permitted Curtailment of Block B Energy or (ii) decline to implement a Permitted Curtailment. Big Rivers may after the fact determine in good faith that a Net Resource Deficiency existed in a prior hour or hours, and upon such determination, Big Rivers may, in its sole discretion, after the fact implement a Permitted Curtailment of Block B Energy. However, in the event that a Permitted Curtailment is implemented after the fact with respect to any hour or hours, Big Rivers may implement the Permitted Curtailment of Block B Energy only to the extent of the Net Resource Deficiency.

Section 6.04 Allocation of Energy Between Alcan and Century During a Permitted Curtailment. In the event of a Net Resource Deficiency during any hour, then the

number of MWh to be delivered by Kenergy to Alcan under this Agreement at the Block B Base Rate shall be reduced based on the number of MWh of Net Resource Deficiency for that hour, multiplied by a factor the numerator of which is 50 and the denominator of which is 113. In the event the Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block B Energy (but not when such determination is made after the fact), the calculated amount of reduction of Block B Energy to be delivered at the Block B Base Rate shall be rounded up or down to the closest whole MWh.

Section 6.05 Block B Buy-Through Energy. In the event Supplier is able to determine in advance that it will implement a Permitted Curtailment of Block B Energy, Supplier shall initiate the following procedures:

- (a) Supplier shall undertake to send a Notice of Curtailment of at least thirty (30) minutes in advance to Kenergy and Alcan.
- (b) A Notice of Curtailment may be made orally and followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be curtailed and the duration of such curtailment.
- (c) In each Notice of Curtailment Supplier may, at its discretion (but without being required), offer an alternative price or prices per megawatt hour ("Block B Buy-Through Price") upon which Supplier would make the curtailed amount of Block B Energy available to Kenergy during the specified hour or hours of curtailment. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Curtailment to notify Supplier that it accepts the Block B Buy-Through Price for the Block B Energy comprising all or any part of the designated curtailment ("Block B Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block B Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block B Buy-Through Price during this ten-minute period shall constitute a rejection of the Block B Buy-Through Price, and the curtailment shall thereafter be implemented in accordance with the Notice of Curtailment.

(d) Upon Kenergy's acceptance of the Block B Buy-Through Price for the Block B Buy-Through Energy, the obligation of Supplier to provide the Block B Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block B Buy-Through Price for such Block B Buy-Through Energy instead of the Block B Base Rate.

(e) During any period of curtailment, Supplier may notify Kenergy and Alcan of its willingness to terminate the curtailment and resume the delivery of Block B Energy under the Block B Base Rate. Upon notification from Supplier terminating the curtailment, Kenergy shall purchase and accept delivery of Block B Energy for resale to Alcan at the start of the hour following such notice. Supplier shall provide Kenergy and Alcan at least ten (10) minutes advance notice of the termination of an curtailment.

(f) In the event that after the fact and for any hour, a Permitted Curtailment is either implemented or increased from the amount specified in a prior Notice of Curtailment, the incremental amount of Buy-Through Energy (in excess of the amount, if any, set forth under a Notice of Curtailment) so determined shall be priced by Big Rivers to Kenergy at the weighted average cost per MWh ("Block B Incremental Price") that Big Rivers incurred to acquire and supply the incremental amount of Buy-Through Energy sold to Kenergy for resale to both Alcan and Century during that hour.

Section 6.06 Service Obligation. Unless otherwise excused pursuant to Article XIV, in the event that Supplier fails to deliver the Block B Energy or Block B Buy-Through Energy, as applicable, to the Alcan Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonable manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VII: PURCHASE AND SALE OF BLOCK C ENERGY

Section 7.01 Block C Energy and Rate. During the Delivery Term, Supplier shall sell and deliver to Kenergy at the Alcan Point of Delivery and Kenergy shall purchase

from Supplier and pay for a block of up to 15 MW of Energy around the clock (24 hours x 7 days), subject to scheduling requirements and the Supplier's right to fully interrupt pursuant to the terms and conditions set forth in Sections 7.02 and 7.03 ("Block C Energy"). The rate for Block C Energy for all hours of delivery shall be \$44.00 per MWh ("Block C Base Rate") unless modified by the Block C Buy-Through Price pursuant to Section 7.03. In the event but only in the event Block C Energy is acquired by Supplier from WKEC under the PPA, the Block C Base Rate is bundled to include ancillary services and kilovars of reactive power demand assuming a ninety percent (90%) power factor. Where Block C Energy is acquired by Supplier other than from WKEC under the PPA, charges for ancillary services and reactive power shall be calculated in accordance with Section 8.01.

Section 7.02 Block C Energy Scheduling. The provision of Block C Energy shall be subject to the following scheduling requirements:

- (a) Subject to Supplier's right to interrupt in accordance with Section 7.03, Kenergy may from time to time schedule Block C Energy by no later than 3:00 PM on the second Working Day prior to the day of the scheduled delivery (or such shorter period agreed to by Supplier) in one (1) megawatt increments up to fifteen (15) megawatts at the time(s) and for the duration(s) specified in the schedule;
- (b) Supplier shall be under no obligation to accept the schedule submitted by Kenergy and deliver the volume of Tier 3 Energy scheduled by Kenergy but shall be obligated, upon receipt of such schedule, to notify Kenergy and Alcan by 9:00 A.M. of the Working Day prior to the day of delivery of the number of megawatts, if any, Supplier is willing to deliver and the hour and duration when the delivery shall take place (the "Response").
- (c) Subject to Supplier's right to interrupt in accordance with Section 7.03, Supplier shall have the obligation to deliver the volume of Block C Energy at the time and for the duration so specified in the Response ("Block C Scheduled Energy").

Section 7.03 Block C Energy Interruption. The delivery of Block C Scheduled Energy may be interrupted by Supplier at any time upon the following terms and conditions:

(a) Supplier, in its sole discretion, may interrupt delivery of all or any portion of the Block C Scheduled Energy in any hour by sending a Notice of Interruption of at least thirty (30) minutes in advance to Kenergy and Alcan in which case Supplier shall have no obligation to supply the amount of Block C Scheduled Energy designated to be interrupted as set forth in the Notice of Interruption. Supplier's delivery obligation for each hour shall be firm if it does not give timely Notice of Interruption at least thirty (30) minutes in advance.

(b) A Notice of Interruption may be made orally and shall be followed by immediate confirmation transmitted by facsimile, and shall designate the amount of power to be interrupted and the duration of such Interruption.

(c) Supplier is not limited in the number of times it may interrupt the delivery of Block C Scheduled Energy.

(d) In each Notice of Interruption Supplier may at its discretion (but without being required) offer an alternative price or prices per megawatt hour ("Block C Buy-Through Price") upon which Supplier would make the interrupted amount of Block C Scheduled Energy available to Kenergy during the specified hour or hours of Interruption. Kenergy shall have ten (10) minutes from the time it receives verbal Notice of Interruption to notify Supplier that it accepts the Block C Buy-Through Price for the Block C Scheduled Energy comprising all or any part of the designated Interruption ("Block C Buy-Through Energy"). Kenergy will follow verbal acceptance of the Block C Buy-Through Price with a facsimile confirmation. The failure of Kenergy to notify Supplier of its acceptance of the Block C Buy-Through Price during this ten-minute period shall constitute a rejection of the Block C Buy-Through Price, and the Interruption shall thereafter be implemented in accordance with the Notice of Interruption.

(e) Upon Kenergy's acceptance of the Block C Buy-Through Price for the Block C Buy-Through Energy, the obligation of Supplier to provide the Block C Scheduled Energy in whole or in part, as the case may be, shall be re-established, provided that Supplier shall charge to Kenergy the Block C Buy-Through Price for all Block C Buy-Through Energy instead of the Block C Base Rate.

(f) During any period of Interruption, Supplier may notify Kenergy and Alcan of its willingness to terminate the Interruption and resume the delivery of Block C Scheduled Energy under the Block C Base Rate. Upon notification from Supplier terminating the Interruption, Kenergy shall purchase and accept delivery of Block C Scheduled Energy for resale to Alcan at the start of the hour following such notice. Supplier shall provide Kenergy and Alcan at least ten (10) minutes advance notice of the termination of an Interruption.

Section 7.04 Allocation of Block C Scheduled Energy. In the event that the aggregate amount of fully interruptible Tier 3 Energy scheduled by Alcan and Century during any hour exceeds the amount of Block C Energy available from Big Rivers at the Block C Base Rate during that hour, then the following agreements shall be in effect:

(a) an equal number of MW of Tier 3 Energy shall be made available at the Block C Base Rate to each of Alcan and Century, provided that the number of MW made available to either Alcan or Century shall be no greater than scheduled by Alcan and Century for that hour;

(b) any number of MW of Block C Energy available from Big Rivers at the Block C Base Rate in excess of the equal amounts set forth in subsection (a) above shall be available to the smelter submitting the greater schedule for such hour; and

(c) any number of MW of Block C Energy that Big Rivers does not make available to either Alcan or Century at the Block C Base Rate can be made available by Big Rivers at Block C Buy-Through Prices that may be separately determined for the remaining amount of fully interruptible Block C Energy scheduled by that smelter.

Section 7.05 Service Obligation. Unless otherwise excused pursuant to Article XIV or unless service of Block C Scheduled Energy is interrupted pursuant to Section 7.03, in the event that Supplier fails to deliver the Block C Scheduled Energy or Block C Buy-Through Energy to the Alcan Point of Delivery in accordance with the terms of this Agreement, Supplier will be liable for 100% of the costs incurred by Kenergy in obtaining replacement Tier 3 Energy in a commercially reasonable manner, less the amount that Kenergy would have owed to Supplier had Supplier fulfilled its obligation to deliver hereunder.

ARTICLE VIII: ADDITIONAL CHARGES

Section 8.01 Additional Charges. In addition to the rates and charges set forth in (i) Article V for Block A Energy and Block A Buy-Through Energy, (ii) Article VI for Block B Energy and Block B Buy-Through Energy and (iii) Article VII for Block C Scheduled Energy and Block C Buy-Through Energy, the Monthly Charge shall include and Kenergy shall pay to the Transmission Provider the following additional charges:

- (a) a separately calculated charge for network transmission services with respect to Block A Energy, Block A Buy-Through Energy, Block B Energy, Block B Buy-Through Energy, Block C Scheduled Energy and Block C Buy-Through Energy, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time; and
- (b) a separately calculated charge for ancillary services with respect to Block A Energy and Block B Energy (but only to the extent such Energy is not acquired from WKEC under the PPA), Block A Buy-Through Energy, Block B Buy-Through Energy and Block C Scheduled Energy (but only to the extent that such Energy is not acquired from WKEC under the PPA) and Block C Buy-Through Energy, as determined pursuant to the OATT of the Transmission Provider as currently in effect or as may be modified from time to time; and
- (c) a separately calculated charge for excess reactive power demand, if any. The excess reactive power demand in each month shall be the positive difference, if any, between the metered reactive power demand and the sum of (i) 166,964 kilovars and (ii) the number of kilovars calculated by adding the amount of Block A Energy, Block B Energy and Block C Scheduled Energy (to the extent that such energy is acquired from WKEC under the PPA) and multiplying that total amount by 0.4843. The rate for excess reactive power demand shall be \$0.1433 per kilovar per month for up to 10,000 kilovars. If the excess reactive power demand in any month is greater than 10,000 kilovars, the provisions of Section 3.05 of Amendment No. 2 dated November 30, 2000, to the Alcan Power Agreement shall apply.

ARTICLE IX: BILLING

Section 9.01 Monthly Billing. Supplier shall bill Kenergy on a monthly basis for the Monthly Charge based on the Tier 3 Energy provided or made available under this Agreement during the most recently ended Billing Month. Supplier shall issue its

bill as soon after the Billing Month's end as detailed information is available. Kenergy shall pay Supplier the Monthly Charge in immediately available funds on or before the first Working Day after the 24th of the month in which the bill is issued. To facilitate satisfaction of Kenergy's obligation to Supplier, Kenergy hereby assigns to Supplier all of its rights to collect and enforce collection of amounts due from Alcan with respect to the Tier 3 Energy and related transmission and ancillary services sold by Supplier under this Agreement. Supplier releases Kenergy from further liability under this Agreement for amounts subject to such assignment to Supplier, provided that such release does not relieve Kenergy of its other liabilities under this Agreement. Kenergy agrees to cooperate with and assist Supplier with respect to any collections of amounts due from Alcan to Kenergy which are assigned to Supplier pursuant to this section, provided that Supplier will reimburse Kenergy for any commercially reasonable expenses Kenergy incurs in providing such cooperation and assistance.

Section 9.02 Late Charge. In the event any bill rendered by Supplier is not paid on the due date, interest will accrue and become payable by Kenergy to Supplier on all unpaid amounts at a rate of 4 percentage points over the then-effective prime commercial lending rate per annum published in the Money Rates section of *The Wall Street Journal* commencing on the first Working Day after the due date. (Should *The Wall Street Journal* discontinue publication of the prime commercial lending rate, the Parties shall agree on a mutually acceptable alternative source for that rate.)

Section 9.03 Disputed Billing. In the event any portion of any bill is disputed by Kenergy, the disputed amount shall be paid, under protest, when due. If the protested portion of the payment is found to be incorrect, Supplier shall promptly cause to be refunded to Kenergy (or to Alcan on behalf of Kenergy, as applicable) the amount that was not then due and payable, together with interest accrued on each calendar day from the date of payment by Kenergy to the date the refund is made. The same interest rate and computation method provided for in Section 9.02 shall be applied to the determination of interest due to Kenergy on the refund.

Section 9.04 Non-Waiver. No payment made by Kenergy (or Alcan) pursuant to this Article IX shall constitute a waiver of any right of Kenergy (or Alcan) to contest the correctness of any charge or credit.

ARTICLE X: BREACH AND DEFAULT

Section 10.01 Event of Default. The occurrence of any of the following events, unless otherwise excused pursuant to the terms of this Agreement, constitutes a breach by the relevant Party under this Agreement and if not curable or not cured within the applicable cure period (indicated in parenthesis) shall constitute a default:

- (a) Failure by a Party to make any payment as and when due hereunder (curable within 3 days following notice of default from the non-defaulting party to the defaulting party and Alcan);
- (b) Failure of a Party to perform any material duty imposed on it by this Agreement (curable within 30 days following notice of default from the

nondefaulting party to the defaulting party and Alcan);

(c) Any attempt by a Party to transfer an interest in this Agreement other than as permitted pursuant to Article XV of this Agreement (not curable);

(d) Any filing of a petition in bankruptcy or insolvency, or for reorganization or arrangement under any bankruptcy or insolvency law, or voluntarily taking advantage of any such laws by answer or otherwise or the commencement of involuntary proceedings under any such laws by a Party (curable by withdrawing the petition or dismissing the proceeding within 30 days after filing).

(e) Assignment by a Party for the benefit of creditors, other than as expressly provided herein (not curable);

(f) Allowance by a Party of the appointment of a receiver or trustee of all or a material part of its property (curable by discharge of such receiver or trustee within 60 days after appointment).

(g) Failure, inability or refusal of Kenergy to cure a breach or default by Kenergy under the Alcan Power Agreement which gives rise to a termination of that agreement, or any termination by Kenergy of the Alcan Power Agreement in breach or default thereof (not curable).

Section 10.02 Non-Waiver. The waiver by either Party of any breach of any term, covenant or condition contained herein shall not be deemed a waiver of any other term, covenant or condition, nor shall it be deemed a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein.

ARTICLE XI: REMEDIES OF THE PARTIES

Section 11.01 Remedies, General: In the event of a default by either Party, the non-defaulting Party may, in its sole discretion, elect to terminate this Agreement upon written notice to the other Party, or to seek enforcement of its terms at law or in equity.

Section 11.02 Remedies Scope: Remedies provided in this Agreement are cumulative, unless specifically designated to be an exclusive remedy. Nothing contained in this Agreement shall be construed to abridge, limit, or deprive either Party of any means of enforcing any remedy either at law or in equity for the breach or default of any of the provisions herein provided that:

- (a) Neither Party is entitled to recover from the other Party any consequential, incidental or special damages including without limitation, lost profits; and
- (b) Kenergy's sole and exclusive right to damages or other relief for a failure by Supplier to deliver Tier 3 Energy as required by this Agreement shall be as set forth in Section 5.06 (Block A Energy), Section 6.06 (Block B Energy) and Section 7.05 (Block C Scheduled Energy).

ARTICLE XII: ADDITIONAL COVENANTS OF THE PARTIES

Section 12.01 General. Kenergy covenants that:

- (a) It will not intentionally take any action that would shorten the term of this Agreement or otherwise adversely affect the economic value of this Agreement to Supplier or Alcan.
- (b) It will not resell any Tier 3 Energy purchased from Supplier under this

Agreement to any user other than Alcan and will require that any Tier 3 Energy that Kenergy purchases from Supplier under this Agreement and resells to Alcan must be consumed by Alcan for its Sebree Facility except as expressly permitted with the written authorization of Supplier; provided, that in the event of an Uncontrollable Force that renders Alcan unable to receive and utilize power purchased by Kenergy from Supplier hereunder, Kenergy may take the action contemplated in Section 26.6 of the Alcan Power Agreement.

(c) It will not take any action or support any action by others that in any manner would impede Kenergy's ability to fulfill its obligations to Supplier under this Agreement;

(d) It will not waive compliance by Alcan with any of its obligations under the Alcan Power Agreement or fail to fully enforce the Alcan Power Agreement against Alcan in any manner that would adversely affect Kenergy's ability to fulfill its obligations under this Agreement; and

(e) It will not assign or transfer (by operation of law or otherwise) any rights or interests that it may have in the Alcan Power Agreement to any party without causing the transferee of the Alcan Power Agreement to assume and agree to perform all of Kenergy's obligations under this Agreement which arise following that assignment or transfer and without complying with Article XV.

Section 12.02 Supplier Audit. Kenergy will permit Supplier to audit, upon reasonable notice, at its own expense, at a mutually agreeable time, all information in the possession of Kenergy relating to its service to Alcan under the Alcan Power Agreement, including (for example, but not by way of limitation) scheduled usage, meter

records and billing records and records related to power supplied hereunder as such records relate to a determination of the amount of Tier 3 Energy supplied by Supplier under this Agreement and delivered to or used by Alcan. Kenergy shall retain all documentation applicable to service to Alcan under the Alcan Power Agreement for a period of three years and consistent with the requirements of Section 25 of the Alcan Power Agreement.

Section 12.03 Kenergy Audit. Supplier will permit Kenergy to audit, upon reasonable notice, at its own expense, at a mutually agreeable time, all information in the possession of Supplier relating to its service to Kenergy under this Agreement, including (for example, but not by way of limitation) scheduled deliveries, meter records and billing records and records related to payments made by Alcan to Supplier pursuant to the assignment described in Section 9.01 of this Agreement and such other documents related to payment for and determination of the amount of Tier 3 Energy supplied by Supplier and delivered to Kenergy under this Agreement for resale and delivery to Alcan. Supplier shall retain all documentation applicable to service to Kenergy under this Agreement for a period of three years.

Section 12.04 Assurance. Supplier covenants that it will not take any action or support any action by others that in any manner would impede Supplier's ability to fulfill its obligations to Kenergy under this Agreement and will not intentionally take any action that would diminish or otherwise adversely affect the economic value of this Agreement to Kenergy or Alcan.

Section 12.05 Joint Covenant for Benefit of Alcan. Kenergy and Supplier agree that the Century Agreement shall include the same provisions as are set forth in Section 5.04, Section 6.04 and Section 7.04 herein.

Section 12.06 Closing of Unwind Transaction. Coincident with closing of the Unwind Transaction prior to December 31, 2008 ("Unwind Transaction Closing Date"), the purchase obligation of Kenergy and the delivery obligation of Big Rivers with respect to all blocks of Tier 3 Energy provided for under this Agreement shall automatically terminate without further action of the Parties as of 11:59 PM of the Unwind Transaction Closing Date; provided, however, that Section 18.06 of this Agreement shall survive such termination and Kenergy shall remain responsible for billed and unbilled costs of Block A Energy, Block B Energy and Block C Energy (including charges set forth in Section 8.01) delivered or made available though the Unwind Transaction Closing Date.

ARTICLE XIII: DISPUTE RESOLUTION AND CHOICE OF LAW

Section 13.01 Dispute Resolution. Should any dispute arise between the Parties concerning the terms or conditions of this Agreement, the duties or obligations of the Parties under this Agreement, or the implementation, interpretation or breach of this Agreement, either Party may request in writing a meeting between an authorized representative of each of the Parties and Alcan to discuss and attempt to reach a resolution of the dispute. Such meeting shall take place within ten (10) days (or such shorter or longer time as agreed upon by the Parties) of the request. Any resolution mutually agreed upon by the Parties shall be reduced to written form

and signed by each Party and consented to by Alcan, and thereafter shall be binding upon each Party to this Agreement. Absent such resolution, the Parties shall be entitled to pursue all rights and remedies that they may have at law, in equity or pursuant to this Agreement (subject to the limitations set forth in the Agreement) to resolve that dispute. Notwithstanding the provisions of this Section 13.01, each Party will at all times be free to seek injunctive relief, where its delay in doing so could result in irreparable injury.

Section 13.02 Controlling Law. This Agreement shall be interpreted, governed by and construed under the laws of the Commonwealth of Kentucky, without regard to its conflicts of laws rules.

Section 13.03 Venue. The Parties hereby agree that the Courts of the Commonwealth of Kentucky will have exclusive jurisdiction over each and every judicial action brought under this Agreement to enforce this Agreement or for breach of this Agreement, provided that the subject matter of such dispute is not a matter reserved by law to the U.S. federal judicial system, to the FERC or to the KPSC, and provided further that the Parties are not precluded from filing actions in or *removing actions to a federal district court* under such court's diversity of citizenship jurisdiction. In any such federal district court action, venue shall lie with the U.S. District Court for the Western District of Kentucky. The Parties hereby agree to submit to the jurisdiction of such courts for such purposes. Nothing in this paragraph prohibits a Party from referring to the FERC or to the KPSC any matter properly within its jurisdiction.

ARTICLE XIV: UNCONTROLLABLE FORCES

Section 14.01 Application. No Party shall be considered to be in breach or default in the performance of any of its obligations under this Agreement when a failure of performance is due to an Uncontrollable Force, except as enumerated in this Article XIV. The Party claiming failure or inability to perform shall promptly contact the other Party and Alcan and provide written notice that an Uncontrollable Force has caused failure of performance. In the event either Party shall be unable, in whole or in part, by reason of Uncontrollable Force to carry out its obligations, then the obligations of the Parties (other than obligations to make payments then due or becoming due with respect to performance prior to such period), to the extent that they are affected by such Uncontrollable Force, shall be suspended during the continuance of any inability so caused, but for no longer period. A Party shall not be relieved of liability for failing to perform if such failure is due to causes arising out of its own negligence or willful acts or omissions, or to removable or remediable causes which it fails to remove or remedy with reasonable dispatch.

Section 14.02 Obligation to Mitigate. Either Party rendered unable to fulfill any obligation by reason of an Uncontrollable Force shall exercise due diligence to remove or remedy such inability with all reasonable dispatch.

Section 14.03 Notification. Kenergy and Supplier agree to notify the other Party and Alcan at the earliest practicable time following (i) the occurrence of any Uncontrollable Force which renders such Party incapable of performing hereunder, or (ii) the time at which such Party has reason to expect that such an Uncontrollable Force is

imminent. Kenergy also agrees to so notify Supplier in the event that Kenergy receives notice from Alcan that such entity anticipates that it will be unable to perform its obligations to Kenergy (under any contract or agreement that affects Kenergy's performance under this Agreement) due to an Uncontrollable Force.

Section 14.04 Labor Dispute. Nothing contained herein shall be construed to require a Party to prevent or to settle a labor dispute against its will.

ARTICLE XV: SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. No interest in this Agreement may be transferred or assigned by either Party, in whole or in part, by instrument or operation of law, without the prior written consent of the other Party, except that (a) assignment may be made by either Party without the consent of the other Party to such person or entity as acquires all or substantially all the assets of the assigning Party or which merges with or acquires all or substantially all of the stock or other ownership interest of such Party, and (b) Supplier may assign or delegate all or any portion of its rights or obligations under this Agreement to any affiliate or entity controlled by Supplier or to the Rural Utilities Services (or other mortgagee or other secured party as security for indebtedness incurred by Supplier), or any successor thereto, without the prior consent of Kenergy. When consent is required, consent shall not be unreasonably withheld, conditioned or delayed. In no event shall either Party assign this Agreement to any third party that does not have adequate financial capacity or that would

otherwise be unable to perform the obligations of the assigning Party pursuant to this Agreement, nor shall either Party assign this Agreement on any terms at variance from those set forth in this Agreement except as agreed to in writing by the Parties. No permitted assignment or transfer shall change the duties of the Parties, or impair the performance under this Agreement except to the extent set forth in such permitted assignment and approved in writing by the Parties and Alcan. No Party is released from its obligations under this Agreement pursuant to any assignment, unless such release is granted in writing.

ARTICLE XVI: REPRESENTATIONS AND WARRANTIES:

Section 16.01 Kenergy Representations and Warranties. Kenergy hereby represents and warrants to Supplier as follows:

- (a) Kenergy is an electric cooperative corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky, and has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to carry on its business as such business is now being conducted and as is contemplated hereunder to be conducted during the term hereof.
- (b) The execution, delivery and performance of this Agreement by Kenergy have been duly and effectively authorized by all requisite corporate action.
- (c) Without further investigation, Supplier can rely upon any scheduling or other written notice from Kenergy.

(d) Kenergy has reserved network transmission service pursuant to Big Rivers' Open Access Transmission Tariff as reasonably required for Big Rivers to deliver to Kenergy and for Kenergy to deliver to Alcan the three blocks of Tier 3 Energy purchased by Kenergy from Supplier pursuant to this Agreement.

Section 16.02 Supplier Representations and Warranties. Supplier hereby represents and warrants to Kenergy as follows:

(a) Supplier is a corporation duly organized and validly existing and in good standing under the laws of the Commonwealth of Kentucky and has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to carry on its business as it is now being conducted and as it is contemplated hereunder to be conducted during the term hereof.

(b) The execution, delivery and performance of this Agreement by Supplier have been duly and effectively authorized by all requisite corporate action.

(c) Without further investigation, Kenergy can rely upon any written notice from Supplier.

(d) The PPA is in full force and effect and Supplier has neither received nor submitted a Notice of Default.

ARTICLE XVII: AMENDMENTS

Section 17.01 Writing Required. This Agreement may be amended, revised or modified by, and only by, a written instrument duly executed by both Parties with the written consent of Alcan.

Section 17.02 Waiver. The rates provided for in Sections 5.01, 6.01 and 7.01 of this Agreement shall not be subject to change through application to the FERC pursuant to the provisions of Section 205 of the Federal Power Act absent the agreement of each of the Parties to this Agreement. Accordingly, neither Party shall petition FERC or any other governmental agency pursuant to the provisions of Section 205 or 206 of the Federal Power Act or any other provision of law to amend the rates contained in Sections 5.01, 6.01 and 7.01 of this Agreement absent the agreement in writing of the other Party nor shall any Party cooperate with any other person(s), or request or encourage any other person(s) to make such petition; and each Party further agrees to oppose any action to change such rates, including but not limited to pursuing appeals of any order or decision directing such change, and to bear all of its own costs of such opposition including attorneys' fees. Big Rivers' transmission rates, methodologies and formulae are subject to change, but nothing in this Agreement limits the right of any Party to challenge any aspect of the Transmission Provider's Open Access Transmission Tariff, including the applicable loss factor, the transmission service rates or any other transmission or ancillary service issue presented to FERC.

ARTICLE XVIII: GENERAL

Section 18.01 Good Faith Efforts: The Parties agree that each shall in good faith take all reasonable actions within their reasonable control as are necessary to permit the other Party to fulfill its obligations under this Agreement; provided, that no Party shall be obligated to expend money or incur material economic loss in order to facilitate performance by the other Party. Where the consent, agreement, or approval of either Party must be obtained hereunder, such consent, agreement or approval shall not be unreasonably withheld, conditioned, or delayed. Where either Party is required or permitted to act or fail to act based upon its opinion or judgment, such opinion or judgment shall not be unreasonably exercised. Where notice to the other Party is required to be given herein, and no notice period is specified, such notice will be given as far in advance as is reasonably practical.

Section 18.02 Information Exchange: The Parties shall cooperate in the exchange of information between themselves in order to further the purposes of this Agreement, to verify compliance with the terms of this Agreement and to keep each other fully informed of facts which could constitute a material change in any of the business or financial relationships contemplated by this Agreement.

Section 18.03 Notices: Except as herein otherwise expressly provided, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person or by any qualified and recognized delivery service, or sent by United States mail postage prepaid to the persons specified below unless otherwise provided for in this Agreement.

To Supplier:

Big Rivers Electric Corporation
201 Third Street
P.O. Box 24
Henderson, Ky. 42419
Attn: C. William Blackburn, Vice President, Power Supply
Facsimile No.: (270) 827-2101

To Kenergy:

Kenergy Corp.
P.O. Box 18
6402 Old Corydon Road
Henderson, KY 42419
Attention: President/CEO
Facsimile: (270) 826-3999

To Alcan:

Alcan Primary Products Corporation
9404 State Road 2096
Robards, Kentucky 42452-9735
Attention: Pam Schneider, Treasurer
Facsimile: (270) 521-7305

Either Party may at any time, by written notice to the other Party, change the designation or address of the person specified to receive notices pursuant to this Agreement.

Section 18.04 Severability: If any clause, sentence, paragraph or part of this Agreement should for any reason be finally adjudged by any court of competent jurisdiction to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remainder of this Agreement but shall be confined in its operation to the clause, sentence, paragraph or any part thereof directly involved in the controversy in which the judgment is rendered, unless the loss or failure of such clause, sentence, paragraph or part of this Agreement shall materially adversely affect the benefit of the bargain to be received by either or both of the Parties, in which event the

Parties shall promptly meet and use their good faith best efforts to renegotiate this Agreement in such a fashion as will restore the relative rights and benefits of both Parties.

Section 18.05 Singular and Plural References: Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number and vice versa.

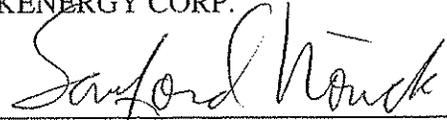
Section 18.06 Survival of Remedies. Each provision of this Agreement providing for payment for Tier 3 Energy delivered or made available or related to remedies for default, damage claims, indemnification or payment of other liabilities will survive the termination of this Agreement to the full extent necessary for their enforcement and the protection of the Party in whose favor they run.

Section 18.07 Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties hereto with respect to the subject matter addressed herein.

Section 18.08 Patronage-Based Service. The Parties agree that, for purposes of this Agreement, Kenergy is doing business with Supplier on a patronage basis in accordance with the provisions of the Articles of Incorporation and Bylaws of Supplier that may be in effect from time to time.

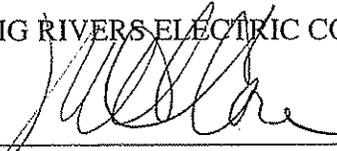
IN WITNESS WHEREOF, this Agreement is hereby executed as of the day and year first above written.

KENERGY CORP.



By: Sanford Novick
Title: President and CEO

BIG RIVERS ELECTRIC CORPORATION



By: Michael H. Core
Title: President and CEO

CONSENT

Alcan Primary Products Corporation ("Alcan") hereby agrees with Kenergy Corp. ("Kenergy") and Big Rivers Electric Corporation ("Big Rivers") that Alcan has reviewed the Agreement for Tier 3 Energy dated November 29, 2007 ("Tier 3 Agreement") for delivery of Tier 3 Energy in year 2008 and hereby consents to the execution, delivery and performance of the Tier 3 Agreement by Kenergy and Big Rivers for all purposes.

Dated: November 29, 2007

ALCAN PRIMARY PRODUCTS CORPORATION

By: 
Pam Schneider
Treasurer

REQUEST FOR POWER

Alcan Primary Products Corporation ("Alcan") hereby requests Kenergy Corp. ("Kenergy") to purchase the following volumes of Tier 3 Energy from Big Rivers Electric Corporation ("Big Rivers") in accordance with the rates, terms and conditions set forth in the Agreement for Tier 3 Energy dated November 29, 2007, between Kenergy and Big Rivers (the "Tier 3 Agreement"):

Block A Energy- a block of 50 MW of System Firm Tier 3 Energy for delivery in On-Peak hours in year 2008, as set forth in Article V of the Tier 3 Agreement;

Block B Energy- a block of 50 MW of System Firm Tier 3 Energy for delivery in Wrap hours (as defined in the Tier 3 Agreement) in year 2008, as set forth in Article VI of the Tier 3 Agreement; and

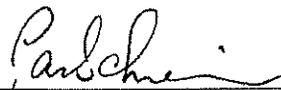
Block C Energy – a block of up to 15 MW of fully interruptible Tier 3 Energy for delivery in year 2008, as set forth in Article VII of the Tier 3 Agreement.

In consideration thereof, Alcan agrees to purchase from Kenergy at retail the delivered amounts of such Tier 3 Energy on the same terms and conditions and at the same rates contained in the Tier 3 Agreement plus the applicable distribution fee included in Kenergy's smelter tariff plus charges for transmission and ancillary services, if any, with respect such Tier 3 Energy.

The terms and conditions of the Agreement for Electric Service between Kenergy and Alcan dated July 15, 1998 (the "Alcan Power Agreement") are, to the extent applicable, incorporated herein by reference.

This the 29th day of November, 2007.

ALCAN PRIMARY PRODUCTS CORPORATION

By: 
Pam Schneider
Treasurer